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SUSTAINABLE HUMAN SETTLEMENTS DEVELOPMENT: IMPLEMENTING AGENDA 21

Note by the secretariat

1. The attached document is the report of the Task Manager on Human Settlements prepared by the United Nations Centre for Human Settlements (Habitat) for the United Nations Commission on Sustainable Development.

2. This report was prepared by UNCHS (Habitat) based upon contributions from a wide range of United Nations agencies and organizations including: UNDP, UNEP, UNICEF, UNFPA, UNHCR, DPCSD, the regional commissions, FAO, ILO, ITU, UNESCO, UNIDO, WHO, WMO, the World Bank and the International Monetary Fund.

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IMPLEMENTING AGENDA 21

Prepared for the
Commission on Sustainable Development
by
the United Nations Centre for Human Settlements (Habitat)

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Task Manager, Human Settlements
March 1994

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EXECUTIVE SUMMARY

Major Issues

The poorer you are, the greater the threat. In human settlements, especially in large cities, the poor, without a doubt, are disproportionately threatened by environmental hazards and health risks posed by air and ground pollution, inadequate housing, poor sanitation, polluted water and lack of other basic services. Many of these already deprived people also live in the most ecologically vulnerable areas and on marginal lands characterized by high susceptibility to environmental degradation - in urban slums and squatter settlements, on steep slopes and in flood plains. One of the greatest threats to sustainable human and economic development comes from the downward, mutually reinforcing, spiral of poverty and environmental degradation which is endangering current and future generations in the developing countries.

From 1990 to 2030, global population will grow by 3.7 billion people. Ninety per cent of this increase will take place in the developing countries. Ninety per cent will be urban, virtually all of it will accrue to human settlements in the developing world. By 2030, urban populations there will be twice the size of rural populations. Primarily due to a decaying urban environment, at least 600 million people in human settlements already live in «health and life» threatening situations. Up to one-third or more of urban populations live in substandard housing. At least 250 million urban residents have no easy access to safe piped water; 400 million lack sanitation. Without a doubt, rapid urban population growth is exacerbating the often mutually reinforcing effects of poverty and environmental damage in human settlements.

Current trends in the liberalization of the global as well as national economies are accelerating urbanization and the economic importance of cities. Human settlements have much to gain from and contribute to ongoing processes of decentralization and democratization, but are also potential sources of upheaval if their resources are left to stagnate and decline.

Clearly the evidence is compelling. As population growth will be virtually synonymous with urban growth in the coming decades, the focus of efforts at sustainable human settlements development must be on urban areas as that is where most of the world's population will live and work, where most economic activity will take place - and where most pollution will be generated and most natural resources consumed - with impacts, environmental and otherwise, which will be felt way beyond the city limits.

By implication, this also means that the focus of many, if not most, of the various sectoral programmes of Agenda 21 will be on human settlements, and especially on cities and towns. Here is where they have to be coordinated, managed and implemented. It is at this level where policy initiatives become an operational reality. It is also at this level where policies, as they directly affect people and interests, become an eminently political affair: conflicts have to be resolved and consensus found among competing interests and parties.

Breaking the cycle of poverty and environmental decline requires rapid economic growth, without which developing countries will not have the resources necessary to increase employment opportunities and to provide the basic services and environmental infrastructure needed to reduce levels of poverty. Economic growth depends, among other factors, on the closing of the ever-widening infrastructure gaps, especially in urban areas where already more than one-half, on average of GNP is generated and where in less than two generations the majority of the developing world's population will live and be looking for work. Moreover, future economic growth will have to be generated in such a way so as to not result in further environmental decline and a rapid drawing-down of non-renewable resources.

The working paper illustrates throughout how human settlements policies and management are crucial for the achievement of Agenda 21 goals. Achieving the overall macro-economic, social and environmental goals of Agenda 21 requires development management at the local level which is not only efficient, transparent and accountable, but also inter-sectoral: capable of balancing and achieving the primary goals of increased productivity, poverty reduction and environmental protection. The paper outlines the basic elements required to help local authorities to become less controllers and more enablers and describes the type of multi-sector and multi-actor strategies which can mobilize and leverage local financial, economic and human resources.

In human settlements development, on average well over 95 per cent of investments come from the private sector and households, and from national and local governments. External support agencies can only be effective if they play a catalytic role by helping to improve policies and strengthen institutions. Influencing the actions of private economic forces so they are in step, broadly speaking, with the goals of Agenda 21, may be the single most significant challenge facing the United Nations and will take the organization and its agencies into waters which are still largely uncharted. However, such a role is absolutely necessary if sustainable development is to become the guiding principle of international development and if Agenda 21 is to meet its objectives. In light of this, an initial attempt to evaluate the contribution of the major groups has also been included in the working paper.

Assessment of Progress Towards Sustainable Human Settlements Development

The assessment of progress achieved since UNCED in implementing Chapter 7 of Agenda 21 (Promoting Sustainable Human Settlements Development), reveals that most UN agency activities relevant to Chapter 7 are concentrated in three of its eight programme areas: human settlements management, environmental infrastructure, and capacity-building. Whereas agencies recognize the importance of the human settlements chapter, the consequences of urbanization on Agenda 21 implementation are still not fully appreciated. Moreover, there does not appear to be much new movement in two programme areas which are crucial for achieving Chapter 7 objectives: land resource management and urban transport. The majority of agencies appear to be continuing with their established work programme priorities. Some significant exceptions have been noted, but the most important ongoing multi-agency initiatives which are facilitating cross-sectoral approaches to settlements management have not attracted adequate additional resources. This is due to two principle factors: the proliferation of new agency programmes which are not designed from the outset as multi-agency initiatives; and the (not unrelated) recent severe cutbacks in multilateral aid flows.

It is clear that if the UN is to serve as a catalyst for action and for co-ordinating and monitoring Agenda 21 implementation (and given the need to most efficiently use shrinking resources) the UN must first learn to better cooperate and coordinate among itself. However, the downturn in resource flows to most UN system agencies may increase competition rather than cooperation. Given that likelihood, and its negative impact on a concerted system-wide implementation of Agenda 21, mechanisms should be established which provide incentives for multi-agency programmes and joint programming.

Future Directions

- Priority Issues

The assessment of progress so far achieved suggests a number of priority issues which must be addressed to facilitate the implementation of the human settlements chapter of Agenda 21. Several of the most significant of these are:

- **Bridging the resource gaps and linking technical assistance with capital investment.** Developing countries are facing a financial crunch when it comes to the enormous investments required for urban infrastructure and basic services. Greater emphasis must be placed on the development of financial mechanisms and on domestic resource mobilization. Many of the programme areas of Chapter 7 require large amounts of capital investment to reach their objectives. Technical assistance, the main activity of the UN, often prepares the ground for capital investment by banks and private firms. There is a need to broaden the range of actors for the implementation of Chapter 7, beginning with regional development banks. This process should also be extended to the private sector and modalities established for it.

- **Emerging Intersectoral Priorities: Focus on the «brown agenda» and urban poverty.** Among the most critical problems in human settlements are the health impacts of urban pollution. Collectively dubbed the «brown agenda», this set of issues is closely linked to the poverty-environment relationship. Similarly, many of the problems of access by low-income groups to basic services, land, housing and health care are grounded in their poverty. A focus on the «brown agenda» and urban poverty lends itself to a comprehensive and strategic multi-sector, and thus multi-actor, approach to sustainable development, through which many of the separate sectoral goals of Agenda 21 can be achieved in a more effective manner.

- **Even and balanced approach to all programme areas of Chapter 7, with more emphasis on** two key areas: land resource management and urban transport. Both have been relatively neglected and require urgent multi-agency responses, particularly given the rapidly escalating transport needs in the face of population growth and the related physical expansion of urban centres with their large «footprint» and symbiotic relationship with agricultural production. Failure to act in both programme areas will lead to serious negative consequences for the environment and sustainable urban development.

- **Strengthening the economic, political and social institutions and organizations of civil society.** In the area of human settlements, this means institution building, especially at the municipal level, and enhancing the capacity of community groups and NGOs as intermediaries and organizers, as well as assisting the private sector in developing countries to expand its contribution to settlements development and management.

- **Special measures for the least developed countries.** Given their limited resources and stage of development, and in light of their growing environmental problems, the least developed countries will require special funds similar to the GEF mechanism for Agenda 21 implementation. Such funds must be part of a wider assistance programme which can foster accelerated economic growth.

- Improved Management Approach

Given the importance of settlements management for the implementation of Chapter 7 and other parts of Agenda 21, special emphasis must be placed on management capacity building. Such improvement should focus on basic management and organizational skills first, later to be complemented by technical skills; a concentration on strategic interventions (such as land management); and a focus on good governance, broad-based participation, and curbing malfeasance and corruption in municipal institutions. The promotion of good management practice should be accompanied by measures to strengthen the powers and financial base of local authorities so they are free to pursue local development opportunities. Given the enormous and growing capacity building requirements at the municipal level, the best approach to training may be one which focuses on building «capacity for capacity», meaning strengthening the capacity of regional, national and local training institutions for capacity-building in all aspects of human settlements management and development. Such an approach is ultimately more sustainable than «one off» training courses.

- More Efficient Delivery Mechanisms

Finally, the assessment of progress so far achieved in the human settlements chapter of Agenda 21 clearly indicates that innovative and efficient delivery mechanisms for external support are crucial if progress towards the goals of Agenda 21 is to be accelerated. To move coherently in this direction, a number of suggestions have been put forward in the Task Manager's Working Paper. The most important of these are:

- **Consortium Approach to Key Issues.** One of the more efficient ways to implement the human settlements programmes of Agenda 21 may be through a focus on a limited number of strategic issues which can serve as an umbrella through which the objectives of programme areas of Chapter 7 (and related programmes in other Chapters) can be implemented in a cohesive and effective manner. Examples of such «umbrellas» would be the «brown agenda» and urban poverty. A consortium of all agencies which have a stake in the issue could then be formed for long-term support in implementation through joint programming and pooling of resources. Ideally, it should be possible to identify a relatively limited number of umbrella issues through which the vast majority of all Agenda 21 programmes could be linked and implemented. This would make operationalizing Agenda 21 easier and remove difficulties inherent in the sectoral structure of Agenda 21.

- **Incentives for Inter-Agency Initiatives.** Inter-agency cooperation in the implementation of Agenda 21 must be driven by incentives, otherwise it will not take place to the extent required for the speedy implementation of Agenda 21. The Commission on Sustainable Development should consider incentives, particularly financial incentives, such as establishing funding mechanisms to reward multi-agency programmes which pursue Agenda 21 goals, so as to promote interagency collaboration in the implementation of Agenda 21 programmes.

- **Joint Programming and new Strategic Alliances.** The range of collaborative approaches should also be widened beyond the traditional external agency/national government arrangements. As stressed throughout the working paper, emphasis should be on developing and expanding joint programmes and activities, based on new alliances (for example, with the private sector and business community and with local authorities and local communities), in order to mobilize and channel the enormous potential which lies outside traditional international assistance mechanisms.

I. ISSUES AND PRIORITIES

A

Human settlements and sustainable development

The call for sustainable development in Agenda 21 is not simply a call for environmental protection. Instead, sustainable development implies a new concept of economic growth - one that provides fairness and opportunity for all the world's people, not just the privileged few, without further destroying the world's natural resources and without further compromising the carrying capacity of the globe. Sustainable development is a process by which economic, social, environmental, fiscal, trade, energy, agricultural, and industrial and technological policies are designed and are mutually supportive in such a way as to bring about development which is economically, socially and environmentally sustainable. This is the message of Agenda 21 and is reflected in its structure and logic. Current consumption cannot be financed by incurring economic debts that others must repay in the future; investments must be made in the health, housing, basic services and environmental infrastructure of today's population so as not to create a social debt for future generations; and natural resources must be used in ways that do not create ecological debts by over-exploiting the carrying and productive capacity of the earth.

Yet it must also be pointed out that most future generations will be born in the developing countries, and most will be born or come to live in towns and cities. Many if not most will be poor, condemned to an existence of bare survival, if that, at the bottom rung of society. For these hundreds of millions of desperate human beings, there is no hope for the future unless economic growth is greatly accelerated in a way which provides them with greater opportunity and mobility. Much, if not most, of that growth will have to be generated in human settlements - in the urban economy - of developing countries, and in cities and towns whose environments are already under severe threat and pressures as a consequence of rapid and unprecedented physical and demographic expansion over the past decades.

To understand sustainable development then as a challenge of particular daunting dimensions for the developing countries (where already 77 per cent of the world's population lives), is to acknowledge the symbiotic relationship between environment and development in those countries and is also to understand why their prominent environmental concerns are not so much about the quality of life (as they are in the industrialized countries) but directly concerned with the preservation of life itself: polluted water is a threat to life, eroded land a threat to livelihoods.

The poorer you are, the greater is the threat. In human settlements, especially in large urban agglomerations and megacities, the poor, without a doubt, are disproportionately threatened by environmental hazards and health risks posed by air and ground pollution, inadequate housing, poor sanitation, polluted water and lack of other basic services. Many of these already deprived people also live in the most ecologically vulnerable areas and on marginal lands characterized by high susceptibility to environmental degradation - in urban slums and squatter settlements, on steep slopes and in floodplains. One of the greatest threats to sustainable human and economic development comes from the downward, mutually reinforcing, spiral of poverty and environmental degradation which is endangering current and future generations in the developing countries.

B

Development - environmental relationships in human settlements

Demographic trends support the view of the growing importance of human settlements. During the period from 1990 to 2030, within the lifetime of most of those alive today (as the average age of the world's population is only 24), global population will grow by about 3.7 billion. Ninety per cent of this increase will take place in developing countries.[1] Ninety per cent of it will be urban, virtually all of it will accrue to human settlements in Latin America, Africa and Asia and elsewhere in the third world. By 2030, urban populations will be twice the

size of rural populations. The opposite is true today. After having already tripled in the years from 1950 to 1990, between 1980 and 2030 the urban population of developing countries will increase by 160 per cent overall, whereas rural populations will only grow by 10 per cent over the same period.[2]

Clearly the evidence is compelling. As population growth will be virtually synonymous with urban growth in the coming decades, the focus of efforts at sustainable development must be on urban areas as that is where most of the world's population will live and work, where most economic activity will take place - and where most pollution will be generated and most natural resources consumed - with impacts, environmental and otherwise, which will be felt way beyond the city limits.

By implication, this also means that the focus of many, if not most, of the various sectoral programmes of Agenda 21 will be focused on human settlements, and especially on cities and towns. Here is where they have to be coordinated, managed and implemented. It is at the human settlements level where policy initiatives become an operational reality. It is at this level also where policy, as it directly affects people and interests, becomes an eminently political affair: conflicts will have to be resolved and consensus found among competing interests and parties.

- Environmental consequences of rapid urban growth

The rapid urban expansion of the last decades, although it has greatly increased the economic importance of human settlements, has also increased the pressures on the urban environment and on surrounding regions and their natural resources. It has created immense and growing problems of air and water pollution, land degradation, traffic congestion and noise pollution. Thus, about 1.3 billion people, mostly in developing countries, live in urban areas that do not meet World Health Organization (WHO) standards for airborne dust and smoke, while about 1 billion people live in cities that exceed WHO standards for sulphur dioxide.[3] Risks from hazardous waste, even if local, are acute. In some large cities, the daily outpouring of industrial wastes into water bodies reaches millions of cubic metres. In some countries, as little as 2 per cent of sewage is treated. From 30 to 50 per cent of urban solid waste is left uncollected.[4]

The implications of all the above for the globe's shrinking supply of freshwater, the health of urban residents, and the integrity of the globe's atmosphere are obvious. And as the physical and natural environment in and around cities deteriorates, the most affected are the urban poor, whose substandard living environment does not protect them from human and other wastes and from pollution of all types. This is why for the poor, the most important environmental priorities are access to clean water, sanitation and safe housing.

- Poverty, human settlements and environmental decline

And the number of the urban poor are growing. Recent statistics give a global figure of 1.4 billion people living below the poverty line, with the numbers increasing virtually everywhere, most dramatically in the developing regions. What is particularly striking is the increase in urban poverty, as a direct consequence of urban economic growth not being able to keep up with urban demographic growth. While the increase of the world's rural poor is estimated at 11 per cent over the period 1970-1985, for example, the number of the urban poor increased by 73 per cent over the same period. In perhaps a quarter of all developing countries, the poor in urban areas now outnumber the poor in rural areas. Already in 1988, it was estimated that a quarter of the urban population in developing countries lived in absolute poverty. Some 300 million had incomes inadequate to fulfil even the most basic nutritional and housing requirements.[5] But those suffering from absolute poverty are not the only underprivileged. Primarily due to a decaying urban environment, at least 600 million people in human settlements, according to some estimates, live in «health and life» threatening situations. Up to one third (and sometimes more) of urban populations live in substandard housing. At lease 250 million urban residents, according to WHO, have no easy access to safe piped water and at least 400 million lack sanitation.[6] The effects of all these deficits on health are shocking. Providing access to sanitation and clean water would not eradicate all disease, but it would be the single most effective means of alleviating human distress and keeping such common causes of death as diarrhoea, cholera, typhoid and paratyphoid in check.

Certainly rapid population growth has also exacerbated the often mutually reinforcing effects of poverty and environmental damage in human settlements. The poor are both the victims and unwilling agents of environmental damage. The absence of waste disposal and sanitation, for example, is not just a health risk to the poor, it is also a cause of ecological damage as human and other wastes pollute groundwater and streams.

- **Economic growth, human settlements and environment**

Breaking the cycle of poverty and environmental decline will require - and for some this will appear paradoxical - further economic growth. Yet without rapid economic growth, developing countries will not have the resources necessary to provide basic services for the poor and for environmental infrastructure or to abate and mitigate environmental damage and pollution. Without economic growth there will be no dramatic increase in employment opportunities nor reductions in the level of poverty. In developing countries there are only limited possibilities for financing basic services, environmental infrastructure, poverty- alleviation programmes or environmental protection through transfer taxes or other similar mechanisms. On the other hand, international assistance can only, at the most, provide a small fraction of the resource requirements. They will have to be mobilized domestically and this is only possible in an expanding economy. But such new growth will have to be generated in developing countries in such a way as not to result in further environmental decline and a rapid drawing down of natural resources. And it will have to be generated in human settlements - in cities and towns - where already more than one half, on average, of GNP is generated and where in less than two generations, the majority of the developing world's population will live and be looking for work.[7] There is also the fact to be considered that the accelerated globalization of the world economy and liberalization and market reforms tend to increase the pace of urban growth. Liberalization and market reform in China and India (with one third of the world's total population between them) has quickened urbanization trends and led to rapid growth in the urban economy, exceeding that of the agricultural sector.

Clearly, the environmental problems which countries face vary with their stage of development, the structure of their economies and their environmental policies. Some problems are clearly associated with the lack of economic development: inadequate sanitation and clean water, indoor air pollution from bio-mass burning, and many types of land degradation have poverty as their root cause. The challenge here is to accelerate equitable access to land tenure and income growth and to promote access to resources and technologies. But many other environmental problems are, as already indicated, the product of, and indeed exacerbated by the growth of economic activity. Industrial and energy-related pollution (local, regional and global), overuse of water and overconsumption are the result of economic expansion that fails to take account of the value of the environment. In this case, the challenge is to build the recognition of environmental constraints and resource scarcity into cost analysis and decision-making both at the government and business level, to promote environmentally sustainable technologies which are also clearly «win-win» options, and to provide for a wide range of other incentives through fiscal measures and regulatory frameworks.

Understanding the environment/development relationships in sustainable development and inAgenda 21 must also inevitably lead, for all the reasons already cited, to an appreciation of the centrality of human settlements in these relationships. Human settlements development fundamentally affects (and will certainly affect even more in future) the environment, and the environment affects human settlements development. Human settlements policies and management, as will be illustrated throughout this working paper, are crucial for the achievement of Agenda 21 goals - as indeed achievement of all Agenda 21 goals is vital for sustainable human settlements development.

C Cross-cutting issues and appropriate management of human settlements

It is at the human settlements level - at the city level - where the sectoral programme areas of Agenda 21 have to come together, where policies will have to be put into practice. Given the primacy of human settlements in future development efforts due to their growing demographic and economic weight, it is in human settlements where the overall macro- economic, social and environmental goals of Agenda 21, represented by its cross-related chapters, will have to be realized. This will require a style of development management at the local level which is not only efficient, transparent and accountable, but also inter-sectoral, capable of balancing and achieving the prime goals of increased productivity, poverty reduction and environmental protection.

But then human settlements issues, policies and activities have always been, by their very nature, cross-sectoral, inter-institutional, involving a multitude of actors. Over the past 20 years, a substantial body of knowledge has been developed on approaches and good practice in human settlements management. It is now

time to act on this knowledge, especially in light of the fact that in virtually all developing countries, human settlements management - in urban centres of all sizes - is deficient and not up to the tasks at hand, to say nothing of the challenges of the future. Human settlements are almost everywhere suffering one form of fiscal crisis or another which can be attributed, in many cases, not just to the overall state of the national economy and external factors, but also to the fact that, as a rule, cities in developing countries contribute more to the national exchequer than they receive in return. Further institutional constraints to effective management are artificial public and private monopolies and inappropriate or excessively rigid regulations.

A change of approach will be required in human settlements management if Agenda 21 is to be successfully implemented against a backdrop of rising levels of urbanization. The basic elements of such a new approach to urban management have long been identified. They are, *inter alia*, decentralization of powers and responsibilities to local levels of government; administrative and civil service reforms aimed at improving the efficiency of local government; fiscal and tax reform to enhance the financial base of municipalities; regulatory reform so as to remove obstacles to security of land tenure and private initiative; improvement of administrative capacity at the local level; and the establishment of performance indicators. It is now time to put these into wide practice as the first stage towards the kind of innovative management which will lead to urban authorities being less controllers and more enablers. Only such a change in basic outlook will allow multi-sector and multi-actor local initiatives, such as local «agenda 21s», to succeed. It will also be required to make sustainable development a reality. One of the principal goals of this working paper is to assess if such a shift towards more effective and integrative urban management is indeed taking place in order to facilitate the implementation of all Agenda 21 goals.

D Participation in decision-making and implementation

Efficiency, transparency and accountability at the city level will not be assured unless institutions are subject to public scrutiny and review. It will also not be assured without greater public participation in decision-making. In reality, human settlements development is the result of a multitude of decisions taken not only by public institutions but also by individuals, families, interest groups, businesses, industry, to name just a few. To be effective and to make optimum use of resources, human settlements management, in the pursuit of the objectives of Agenda 21 and sustainable development, must involve this multitude of actors in a process of participatory decision-making and concerted action. Such an approach is of particular importance if progress is to be made in improving the living and working environment of the poor. Here the process of urban management and the task of implementing Agenda 21 at the local level becomes a decidedly political process - not a technocratic exercise. Governments will, in future, be under increasing political pressure from the poor and dispossessed for security of tenure, for economic and employment opportunities and for basic services and amenities to improve their immediate living environment. These pressures will be most intense and direct at the local municipal level. As a consequence, priority will have to be given to those aspects and programme areas of Agenda 21 which can both improve environmental conditions, on the one hand and reduce poverty and improve the living environment of people in the short term on the other. This means, as previously indicated, an emphasis on sanitation, water disposal, clean water and safe housing.

The focus on poverty reduction in the pursuit of sustainable development at the local level must also be informed by the recognition among decision-makers that poverty is also among the major causes, and among the major results, of the disintegration of family structures, the rise of single-parent households (most of them headed by women), the proliferation of street children, the rise in the use of child labour, an increase in urban and domestic violence, ethnic and racial tensions, and more widespread use of drugs. Another effect of the despair arising from widespread poverty is a global decline in social and personal security. All of this ultimately, and negatively, effects the governability and management of human settlements and thus threatens the implementation of Agenda 21 and the goal of sustainable development.

To involve the poor, and their organizations - NGOs, community and womens groups, political associations - effectively (along with the private business, which must play a central role in local industrial and commercial development) means not just sharing responsibility, but sharing power as well over such matters as land-use decisions, budget allocations and service delivery priorities, thereby helping cities to use resources

efficiently. Self-help programmes and private initiative will become increasingly important in providing urban services and urban infrastructure during the next decades, especially in light of escalating demand and limited public resources. Government agencies have sometimes served as catalysts in organizing the community to provide inputs and contributions to development. These functions have been vital in the past in initiating and sustaining community participation. They will be absolutely essential in future to achieve sustainable development, given the changing political climate in developing countries.

E Partnership and the United Nations role as catalyst

In the area of human settlements development, it has long been realized that limited resources *vis-à-vis* the scale and complexity of urbanization problems require donors to assume a catalytic role by helping to improve policies and strengthen institutions in the sector. This should also be an approach that the international community could well consider in implementing the human settlements chapter, as well as other chapters, of Agenda 21. In human settlements development, multilateral agencies finance only a very small share of total investments. On average, well over 95 per cent comes from the private sector and households themselves, as well as from national and local governments.[8] United Nations agencies can have a significant impact only by influencing the decisions of the same private sector, households and various levels of government, by acting as a catalyst for action, and in helping national and local levels of government to play their enabling role more effectively. All of this puts a premium on initiatives which focus on policy advice, management capacity and institution-building and on the introduction of technologies which are both affordable and environmentally sustainable. Since the direct impact of external multilateral support is necessarily limited, the focus must be on strategies which mobilize and «leverage» local financial, economic and human resources. Past experience in assistance for human settlements development has shown that such targeted strategic assistance can mobilize substantial local follow-up investments.

What all of this demonstrates is that the business of development is an eminently private affair. Even if the financial and technical support provided by United Nations bodies and agencies is complemented by those of bilateral national assistance agencies and institutions, NGOs and voluntary associations in the industrialized countries, it pales to relative insignificance when compared with the capital and technology flows from North to South (and increasingly from South to South) as a consequence of private business investment and lending by private financial institutions. This tendency will increase, rather than abate, given the globalization of the world economy and financial markets. All of this private investment impacts on human settlements and on environmental sustainability, and will, no doubt, influence the success or failure of Agenda 21 and the sustainable development paradigm. Coordinating with and influencing the actions of private economic forces which are transforming the developing countries so they are in step, broadly speaking, with the goals of Agenda 21 may be the single most significant challenge facing the United Nations in the decades to come and this will take the Organization and its agencies into waters which are yet largely uncharted. But such a role may become absolutely necessary if sustainable development is to become the guiding principle of international development and Agenda 21 is to have the impact its drafters intended.

F Main thrust of Chapter 7 of Agenda 21

Chapter 7's emphasis on human settlements planning, management and capacity- building, on the provision of environmental infrastructure, basic services and housing, on land-use planning and management, on more efficient use of energy and energy-efficient transport systems, and on sustainable construction activities reflects an appreciation of the centrality of all these programmes to the achievement of the overall goals of Agenda 21. Throughout, the Chapter's programmes advocate an enabling approach as well as cooperation with a wide range of public, private and community partners in the pursuit of sustainable development, for no model of development is ultimately sustainable unless it has the support of people. The accent is on improved

governance, broad-based participation and on an inter-sectoral and integrated approach to human settlements management and development. The focus is on human development, based on an appreciation of the fact that the ultimate goal of environmental protection and enhancement is the sustainability of human life on this planet.

II. IMPLEMENTING AGENDA 21: ASSESSMENT OF PROGRESS TOWARDS SUSTAINABLE HUMAN SETTLEMENTS DEVELOPMENT

A summary review of current United Nations system activities focused on implementing Agenda 21 in the area of human settlements is annexed to this paper. This review is the outcome of a system-wide consultative process among the relevant organizations of the United Nations, set in motion by the Commission on Sustainable Development following its first session in May 1993. In the course of this consultation, valuable contributions were received by the Task Manager from a wide range of United Nations agencies and bodies including UNDP, UNEP, UNICEF, UNFPA, UNHCR, DPCSD, the Regional Commissions, FAO, ILO, ITU, UNESCO, UNIDO, WHO, WMO, The World Bank and the International Monetary Fund. Without this constructive response, the preparation of this Report would not have been possible, and the Task Manager would like to thank all these agencies and organizations for their cooperation.

Although intensified information exchange and inter-agency consultation began in earnest after the designation of task managers at the second meeting of the Inter-agency Committee on Sustainable Development in September 1993, it is obvious that even the first stage of the review process is as yet far from complete. While the first outlines of an overall picture of system-wide efforts is just emerging, many gaps still remain to complete the mosaic. The most important of these gaps pertain to the fact that very little quantitative information has so far been made available, e.g., how much money is being spent in each programme area, how well priority cities and their most critical problems are being covered, what is the evidence of positive impacts. Accordingly, although additional information was still coming in at the time of writing this paper, one important gap which needs to be remedied as a basis for future analysis pertains to capital investment flows. Although the World Bank provided some useful information in this regard, information was not received from any of the regional development banks, so the picture remains both incomplete and lacking a perspective of the volume of capital investments in relation to technical cooperation activities. Moreover, without more complete information on the impact of Agenda 21 on capital investments related to sustainable human settlements development, the analysis which follows remains somewhat subjective.

A. The basis for a review of current United Nations system activities

It has been less than two years since the United Nations Conference on Environment and Development and the launching of Agenda 21 on the part of the international community as a comprehensive action plan to achieve sustainable development. Given the inevitable time lapse between the declaration of principles and commitments and their transformation into policies, financial commitments and programmes at the international, national and local levels, it would be unrealistic to expect a wide range of operational activities which are already achieving measured progress towards achieving Agenda 21 goals. What can be assessed, however, is if the momentum of UNCED is being maintained and progress is being made in the strengthening and/or start-up of strategic initiatives which: (a) have the potential for maximizing effective application of the United Nations system's resources and which lend themselves to inter-agency cooperation; (b) are enlisting the support of and cooperation with the private business and voluntary sectors; and (c) are serving as the catalyst for action at the national and local levels around which major groups (as defined in Agenda 21) can coalesce so that measurable progress can be achieved on the ground.

This is based on the recognition that Agenda 21 goals cannot be realized through sometimes unrelated, often uncoordinated, many times duplicating agency initiatives, however laudable. Nor can it be achieved without other partners at the international level and the full cooperation and partnership of all the major groups at

the national and local levels: local authorities, the private business sector, and community and women groups, supported by NGOs. Given the limited resources of the United Nations system - human, financial and organizational - when compared to the tasks at hand in the implementation of Agenda 21 - the United Nations' role will best be served by acting as a catalyst, by working together to bring the stakeholders together, facilitating policy dialogue, disseminating new knowledge and by setting in motion actions at the international, national and local levels. For this reason, the activities of the United Nations system cannot be analysed in isolation from those of major groups and other actors; their ultimate effectiveness, to a great extent, depends on these groups and what they and national governments do to implement Agenda 21. This underscores the inclusive nature of Agenda 21; this was emphasized at Rio and this message continues to be valid today. This partnership approach and «enabling role» for the agencies and bodies of the United Nations is especially pertinent in the area of human settlements development, given the complexity of the issues, the diversity of the actors, and the need for stake-holder participation and policies of inclusion.

Any undertaking of this type is by its very nature a process of «learning by doing», and it should not come as any surprise that, as a consequence of moving forward towards Agenda 21 goals, the international community discovers deficiencies in knowledge which must be addressed through research, as well as new obstacles to sustainable development which must be removed through new policies and changes in work-programme priorities. Implementation, is after all, the final test of any strategy, and the same holds true for Agenda 21. Without a doubt, implementation will, over time, require adjustments. New areas of emphasis, new programme priorities and changes in management approaches, as well as in delivery mechanisms - as circumstance change and more experience and knowledge is gained - should be a positive consequence of the implementation process. To inform this process of adjustment and modification, both strategic and tactical, is the very purpose of this reporting exercise.

B Assessment of progress

Most United Nations agency activities relevant to Chapter 7 are concentrated in three programme areas: human settlements management, environmental infrastructure, and capacity-building, with a clear link between the first and the last. Whereas most agencies recognize, to a greater or less extent, the importance of the human settlements chapter (or parts thereof) to achieving the goal of sustainable development, the consequences of urbanization on Agenda 21 implementation has still not been fully appreciated. Moreover, there appears to be not much new movement in the programme areas of urban transport and land-resource management, despite the fact that they are clearly crucial to sustainable human settlements development. Likewise, although there is general agreement that shelter is an important issue which must be addressed, this has not been followed by accelerating the implementation of the Global Strategy for Shelter to the Year 2000.

The majority of agencies appear to be continuing with their established work-programme priorities with no significant shift yet taking place in the direction of core tasks as defined by the programme areas of Chapter 7. There are, however, some important exceptions including, for example: the Secretary-General's decision at the beginning of 1993, to foster a closer working relationship and joint programming between UNEP and UNCHS (Habitat), the two agencies in Nairobi which are responsible for the natural environment and the built environment respectively; and the creation in 1993 of a Vice Presidency for Environmentally Sustainable Development in the World Bank, encompassing the central departments for the environment, infrastructure, transportation, water and sanitation, urban development and agriculture. These two initiatives are already facilitating the type of cross-sectoral approaches to settlements management which, as is described elsewhere in this paper, will be required to implement Agenda 21 successfully. UNDP's Capacity 21 initiative also has the potential of making an important contribution to the implementation of the human settlements programme of Agenda 21, providing it can be successfully transformed into an inter-agency partnership.

However, these new initiatives must be placed in the context of total agency expenditures and programmes to ascertain the new human and financial resources which are actually being mobilized. The same must be asked of on-going inter-agency programmes: are they being given the priority they deserve, and are budget allocations increasing as part of Agenda 21 implementation? So far the answer is less than conclusive, although there have been significant recent shifts in the style of work of some agencies towards increased

demand orientation, consensus building and capacity building. Moreover in terms of the United Nations system's operational activities, the proliferation of new agency programmes which are not designed from the outset as multi-agency initiatives, combined with recent severe cutbacks in multilateral aid flows in general, and in particular, in UNDP's financing for operational activities (by 33 per cent) do not augur well for the future.

It is clear, that if the agencies in the United Nations system are to serve in a catalytic capacity for action and for coordinating and monitoring Agenda 21 implementation globally and by all sets of actors, they must first learn to better coordinate and cooperate among themselves. Many agencies, in reporting to the task manager, have pointed out that «the experience of the past in respect of cooperation within the system has not been very positive as all concerned parties are well aware of». Moreover, in the context of shrinking multilateral resources, there is a likelihood that competition, rather than cooperation, among agencies may increase in the future. In this context it seems imperative that joint programming should become more the order of the day. Accordingly, consideration should be given to establishing funding mechanisms to reward multi-agency programmes which pursue Agenda 21 goals in cooperation with the «major groups». Examples of two such programmes which were cited and recommended for future strengthening in Chapter 7 of Agenda 21 are described in box 1.

Box 1. Inter-agency programmes supporting urban environmental planning and management

The **Urban Management Programme (UMP)**, funded by the UNDP and a number of bilateral agencies and executed by UNCHS (Habitat) and the World Bank, concentrates on capacity-building in the areas of urban land management, urban infrastructure management, municipal finance and administration, urban environmental management and urban poverty alleviation. The Pogramme catalyses national and municipal dialogue on policy and programme options in these critical areas. The UMP has regional offices for Africa, the Arab States, Asia and Latin America that draw upon the strengths of developing-country experts and expedite the dissemination of that expertise at the local, national, regional and global levels. An important focus of UMP activities is to devote considerable attention to the cross-cutting issues in urban management, e.g., the relationship between urban transport and urban environmental degradation and the impact of urban land management on urban environmental improvement and urban poverty alleviation strategies.

The **Sustainable Cities Programme (SCP)** is a joint initiative of UNCHS (Habitat) and UNEP to provide municipal authorities and their partners in the public, private, and community sectors with an improved environmental planning and management capacity. SCP demonstration projects result in broad-based environmental strategies, priority capital investment projects, and system-wide urban management capacities to mobilize all the public and private-sector actors whose cooperation is required for successful and effective urban management. These activities give concrete operational expression to Agenda 21 at the local level. As a global programme, the SCP promotes the sharing of know-how between cities in different regions of the world. As an inter-organizational effort, SCP promotes the pooling of relevant expertise and mobilizes technical and financial resources from both bilateral and multilateral sources. City-level activities, at various stages in the project cycle, are under way in several cities including Dar-es-Salaam, Accra, Ibadan, Ismailia, Tunis, Concepción, Guayaquil, Katowice, Jakarta and Madras.

Source: UNCHS (Habitat)/World Bank/UNDP Urban Management Programme.

C Assessment of the role of major groups

- NGOs

There has been no major redirection of efforts and activities of NGOs working in the area of human settlements since Rio, but rather a continuation and strengthening of trends, experiences and experiments that were evident prior to 1992. The results of the Earth Summit (and the event itself) are illustrative of the strength of such trends. Three of these trends are worth noting: first, greater dialogue and cooperation between NGOs and government institutions, including national and local governments and other State organizations; secondly, NGOs' increased knowledge and sophisticated use of the media, market mechanisms and the private sector; and thirdly, greater awareness of the links between environment and development objectives, leading to liaison

between local environment and development NGOs and environment components within community development projects in urban areas. NGO activities in each of these areas existed prior to the Earth Summit, but have been strengthen by the debates and events connected to the Earth Summit, and have continued since June 1992.

This general observation holds a specified significance for the implementation of Chapter 7 of Agenda 21, as it is precisely local NGOs and community-based organizations which will be essential to the success of the programme areas of the Chapter. This puts a premium on those initiatives which can do this through participatory multi-actor approaches to human settlements development at the local level. One other mechanism which could have the potential for «reaching down» or «breaking through» to the local level and mobilizing NGO and community support for sustainable development goals could certainly be the preparatory process for the series of United Nations global conferences schedules from now to the end of the decade. Certainly the national preparatory process for Habitat II, the second United Nations Conference on Human Settlements, which will be held in Turkey in 1996, should be used to build up local and national multi-actor coalitions for sustainable human settlements development. This will present a challenge to a number of human settlements NGOs, however. Whereas, in terms of action on the ground, human settlements NGOs are at least strong as environment NGOs, especially in those countries where the voluntary sector is permitted space and given support by government, they have been so far weak at the national and international levels in terms of effectively lobbying for policy changes.

Box 2. Developing local environmental agendas in Santafé de Bogotá, Colombia

Each of the 20 municipalities which make up the Bogotá Metropolitan Area are developing their own local environmental agenda, supported by the metropolitan authority (DAMA), NGOs and academics. This represents considerable progress in that only recently have ecological issues become a major concern to government and civil society. Up to 1990, ecological concerns had been largely restricted to the work of natural scientists and the protection of particular conservation areas. Preparatory committees for the Earth Summit began to stimulate city and regional consultation processes to define environmental priorities at the national level, with the interest in environmental issues stimulated in both government and civil society by the increased attention given to such issues by the media.

Certain important changes have laid the basis for the greater involvement of municipal governments in environmental initiatives. First, the Colombian legal framework in the 1991 Constitution helped increase the decentralization process from national to local agencies. Secondly, DAMA convinced all municipal agencies to contribute 1.5 per cent of their annual budgets for environmental action within local agenda. Thirdly, a new Ministry of Environment is about to be approved by the National Congress, which implies increased political and financial support to local environmental agenda and to the municipal authorities who have already developed such agenda.

NGOs and community organizations are also involved in developing the local environmental agenda, both as advisors and within local representative environment committees (*comites ambientales locales*) which were created by a Mayor's decree in November 1993 and which are a central part of the local agenda. The Institute of Environmental Studies (IDEA) based at the National University of Colombia in Santafé de Bogotá has been working with DAMA and the 20 municipalities in developing environmental profiles and local environmental agenda. IDEA also has research groups in other urban centres which are working with local governments and other local groups in developing local environmental agenda in other cities. For instance, the city of Manizales also has an active, well-established local environmental agenda.

Source: Margarita M. Pacheco, *Building the Local Agenda Process in Bogotá* (Santafé de Bogotá, Instituto de Estudios Ambientales (IDEA), Universidad Nacional de Colombia, 1993)

United Nations agency partnerships with NGOs are certainly on the increase, but equal partnership is often difficult when there is an imbalance of resources between the partners. Often it leads to dependence and NGOs becoming nothing more than convenient implementation instruments for donor programmes at the national and local levels. Moreover, national governments at times do not view very favourably being bypassed by international assistance agencies, United Nations or otherwise, in favour of local authorities, NGOs, community groups or private companies and institutions. On the other hand, a number of international NGOs based in the industrialized countries, such as OXFAM, Save the Children, MISEREOR, EZE and CEBEMO, among others, are now getting substantial funding direct from bilateral programmes and this has opened the way for new kinds of equal partnership and positive collaboration between United Nations agencies and NGOs in the pursuit of sustainable development.

- **Business sector**

As for the private business sector, of some significance for human settlements work is the growing activism of some sectors of industry in regard to such issues as pollution control, waste management, energy use and water supply. Here the activities of the Business Council for Sustainable Development, the World Industry Council for the Environment and the International Network for Environmental Management are playing an important role at the international level, supported by initiatives of sectoral industrial and trade associations, especially in the areas of construction, chemicals and tourism. This activism at the international level on the part of concerned companies has been echoed to some extent at the national level as well. It is also apparent that trade and business associations are beginning to appreciate the central role of human settlements in sustainable development. An example is the Global Forum '94, which will be held in Manchester, United Kingdom. The theme of the Global Forum will be «Cities and Sustainable Development» and its business and industry programme will address a number of core business issues, such as enterprise and employment in cities, corporate responsibility, infrastructure development and finance.

Yet while business is moving at varying speeds towards the goal of environmental excellence, including a focus on such core human settlements concerns as pollution control, waste management, energy use and infrastructure in general, it has yet to be challenged or to start thinking about socio-economic dimensions. Business remains uneasy about entering debates on poverty, human needs and equity, and invariably falls back on calls for more economic growth. The emerging agenda of business responsibility to its stake-holders (employees, borrowers, host communities, consumers and future generations) is perhaps only one of many possible entry points for engaging industry in this important debate, central to achieving sustainable development and Agenda 21 goals.

- **Local government**

Twinning programmes of Northern local authority associations have led to exchanges and projects between North and South. Many of these are directly focused on human settlements development, especially on the improvement of management and technical skills at the administrative level. However, what is needed is to strengthen the links between these efforts and those of developing-country networks of local authorities and professionals, as well as those of the United Nations system and others, otherwise the possibility exists that sustainable development will be implemented on four or five parallel tracks with no relation and much duplication and contradiction between them. Existing regional developing-country and national networks also need to be strengthened. One way to start may be at the regional level (CITYNET, EAROPH and the Asian Coalition for Housing Rights are examples of relevant networks in Asia; the Settlements Information Network Africa (SINA) is one in Africa).

D Assessment of the scientific and technological means of implementation

As for scientific and technological means of implementation, the increasing populations and urbanization in developing countries and the global commitment to facilitate adequate shelter for all by the year 2000 pose enormous challenges to the ingenuity and resourcefulness of developing countries. Recent scientific and technological developments in such areas as geographical information systems for land-resource management, natural hazard assessment and prediction, in the area of resource management and pollution control, and most importantly, the revolutionary advances in information technology can together lend valuable support in providing for a more sustainable habitat.

Yet, in the settlements of most developing countries, and in the least developed countries in particular, the role of technology in development remains marginal, and its potential largely unexploited. It is more so for environmentally sound technologies, which are mainly knowledge-intensive and often capital-intensive; these technologies need more inter-disciplinary support for application, and are still evolving and hence prone to rapid obsolescence. The transition to environmentally sound technologies will, therefore, have to be engineered and managed by building consensus, commitment and capacity at all levels.

Box 3. International networks supporting urban environmental planning and management

Numerous networks provide a range of assistance to municipal governments and city-based NGOs in the field of environmental management. Roughly, they can be divided between groups that link local governments with each other, and those that serve as a network for different types of city organizations. The following is a selected list of some of these networks.

Organizations of local governments

The **International Union of Local Authorities** (IULA) represents over 50 national associations of local government; it seeks to integrate environmental concerns into local planning and management, and increase the access of local and regional authorities to international organizations and meetings that deal with the environment. IULA, together with the United Nations Environment Programme and the Centre for Innovative Diplomacy, sponsor the **International Council for Local Environmental Initiatives** (ICLEI). ICLEI develops tools and management approaches for environmental problems, and helps cities to develop local versions of the Earth Summit's Agenda 21. The **United Towns Organization (Cités Unies)** promotes twinning arrangements between cities for the transfer of environmental management skills and sponsors technical assistance for solving urban environmental problems. Other city-to-city organizations that are concerned with improving urban environmental quality include **Metropolis** and the **Summit of Major Cities of the World**.

Networks linking city-based groups

Many international and regional organizations exist that link urban governmental and non-governmental entities in the area of environment. The **Habitat International Coalition** is an NGO network active in more than 60 countries that exchanges ideas and information on efforts to improve the quality of urban life. The **Mega-Cities Project** is a network of coordinators in the world's most populous cities that documents, transfers and replicates innovations, including those of an environmental nature. Another major research project integrating policy-makers, NGOs and local researchers, which now operates in some 50 countries, is the Ford Foundation supported Global Urban Research Initiative (GURI). Regionally, there are several networks functioning. In Asia, the United Nations sponsors **CITYNET** for Asian municipalities and **Asia-Pacific 2000** for NGOs. In the Middle East and North Africa, the **MEDCITIES** programme (part of the Mediterranean Environmental Technical Assistance Programme) fosters cooperation among Mediterranean cities. The Africa Research Network for Urban Management (ARNUM) links over 300 researchers and urban practitioners in English-speaking countries of Africa in both national workshops and research projects funded by donor agencies. In Latin America, **CUIDAD** and **IIED-America Latina** gather and distribute information on urban environmental management. **ENDA-Tiers Monde** and **Environment Liaison Center International** (ELCI) link organizations and dissemination information in Africa and elsewhere.

Professional organizations

Professional organizations provide additional opportunities for building environmental planning and management capacity in developing-country cities. For example, the **International Solid Waste Managers Association** can be useful in promoting technology transfer, supporting the strengthening of national chapters and the development of local associations in developing-country cities, promoting continuing education, sponsoring professional meetings, and publishing professional manuals on best practices in solid-waste management. Similarly, the **International City Managers Association** promotes twinning arrangements, training, and technical assistance to developing-country cities to improve waste management (sanitation, solid waste management) among other aspect of municipal government. Other key international associations for urban environmental management include the **International Water Supply Association** and the **International Association for Water Pollution Research and Control**.

Source: Carl Bartone and others, *Environmental Strategies for Cities* (UMP18)(Washington, D.C.), UNCHS (Habitat)/World Bank/UNDP Urban Management Programme, 1994 and Centre for Urban and Community Studies, University of Toronto, Canada, 1994.

The primary stakeholders and actors for harnessing the scientific and technological means and opportunities in human settlements development are: (a) the scientific and technological community, especially the professional bodies; (b) business and industry, which provide the delivery mechanisms through the formal sector; and (c) community groups including women's groups which translate these opportunities into concrete and affordable actions at neighbourhood and household levels.

An encouraging fact is that Agenda 21 has already stimulated an extensive debate on the scientific and technological implications of sustainable development among professional bodies worldwide. Through this debate, the scientific and technological community is already doing what they always do best: they are disseminating information, creating awareness among the public and policy-makers alike, and stimulating research and development of new technologies through their association with industry. Governments can help improve communication and cooperation among the scientific and technological community by funding and promoting networking activities, seminars and consultations at national level; similarly, international agencies can enlarge this consultation and communication at regional and international levels.

For business and industry, the 18 months since Rio have been dominated by the impact of the global economic slowdown. At the international level, the trade and environment debate has increasingly focused attention on the ways in which environmental legislation on such things as «ecolabelling» and waste disposal can act as «green protectionism». Greater focus is also being placed on competitiveness and environment policy and this will have important human settlements implications in the areas of construction materials, recycling and reuse of wastes, energy conservation and pollution control in the construction sector. An important way forward, and here business and industry are already making strides, is internalizing environmental costs through the use of economic instruments and mobilizing financial markets for sustainable development.

Positive initiatives of community groups, including women's groups, to develop solutions to locally defined problems are also coming in from several countries. Local groups are active in the area of renewable energy technologies, in energy efficiency projects, in recycling and in reuse of wastes, and in many other areas. Human resource development efforts should increasingly be directed in this area. Experience has shown that a participatory approach and end-user involvement is crucial to successful formulation and implementation of technology projects and programmes in human settlements.

Finally, there is the resource question. Increasing the flow of resources is, clearly, an urgent priority. The Global Environmental Facility (GEF), jointly administered by the World Bank, UNDP and UNEP has been scheduled to be roughly doubled in size, and additional resources were also provisionally pledged to the International Development Association (IDA) for use in poorest countries. To date, however, the GEF has not been characterized by its flexibility in response to demand, and the most promising examples of technology financing have come from the countries which have mobilized domestic resources through innovative financing schemes without relying heavily on international finance. Industry can also be stimulated to invest in environmentally sound technologies. In doing so, developing countries should make use of the lessons from the past experience of industrialized countries utilizing fiscal incentives for industry (which have proved successful in many European countries). Subsidies, in contrast, have proved more effective when applied to the demand side rather than to the supply side.

E Financial implications and the strategic role of joint programming

The implementation of the programme areas of Chapter 7 of Agenda 21, and indeed any serious sustainable development process, must take place under the authority of the governments, institutions, enterprises, communities and people of member countries. They must be the true controllers of their own development process. As a consequence, the role of the United Nations system, bilateral agencies and other external groups must be service-oriented, serving the development efforts of countries. The effectiveness of the support services of the United Nations system has to be measured by their cost-effective contribution towards furthering self-sustainable national, local and regional development. Such effectiveness can only be achieved, however, in an atmosphere of genuine cooperation and teamwork both among the various partners in the service team or inter-agency task group and between the team and the client. A major effort should be made,

particularly within the United Nations system, to foster such a cooperative team spirit.

This then raises two questions: first, are the current activities, especially inter-agency programmes, in the area of human settlement of a strategic and catalytic nature?; and, secondly, if they are, are they sufficiently funded to be able to fulfil this strategic and catalytic role? In regard to the first, the answer can be a qualified «Yes», at least as far as some of the inter-agency programmes are concerned. The problem is, however, that these programmes have not attracted appropriate levels of funding, and, partly as a result, some of the strategic areas vital to the implementation of Chapter 7 are simply not adequately covered.

The order of magnitude of urban infrastructure investments made annually by developing countries themselves is approximately US$150 billion (not including investments in housing).[9] By all accounts, this figure will have to rise substantially in the future, not only to accommodate the continuing growth of the urban population, but also to catch up with the service and infrastructure deficiencies that have accumulated due to the relative neglect of urban investments over the years. What is more, the overall cost implications of heightened attention to the environmental sustainability of urban growth have yet to be defined. On the other hand, there is no doubt that forward-looking planning and investments are more cost-effective than «upgrading» after the fact.

The bulk of these investments will have to come from local resources; even under the most optimistic assumptions about external finance, donor assistance will remain a small portion of the total. In the past, however, external support has clearly been insufficient for the desired catalytic effect. The World Bank, by far the biggest funding agency for human settlements development, is now planning to finance 150 urban development projects over the period 1991-1995 for a total of US$ 15 billion. Despite the expected doubling of commitments from recent levels to US$ 3.5 billion in 1993 and beyond, this would represent only 9 per cent of its total lending compared with 5 per cent in the preceding five year period. And while urban development investments have emerged as a priority for the World Bank's borrowers, this is not the case for most bilateral donors. It should also be noted that nonconcessional loans constitute about two thirds of World Bank financing. These go to the more prosperous countries, not to the poorer ones which may need funding even more. This in turn has serious implications for sustainable development: the high-income and middle- income developing countries may have a chance of making it, while the poorer may fall further and further behind. Another example are UNDP commitments for urban activities, which varied between 2.8 per cent and 4.7 per cent of UNDP's total funding commitments from 1987 to 1989, with no dramatic change since. Agriculture, forestry and fishing attracted more than 20 per cent in each of the years cited.[10]

What all this means basically is that the international assistance community, including the United Nations system of course, must increase its own funding levels for human settlements in order to reach that still small, but nevertheless critical level of assistance which can really be catalytic. This assistance will also have to focus more on mobilizing local financial resources and on developing mechanisms to finance sustainable urban development. At present the resources are quite simply not being effectively mobilized either at the municipal or at the national levels. External support activities should also, given the amount of investments required, focus more on mobilizing and leveraging private external financing and investment for urban development. This would be a challenging new task for United Nations agencies. On the other hand, it must be recognized that many of the poorest developing countries do not have the capacity to rapidly develop strong financial services and mobilize sufficient domestic resources. For this reason, these countries may continue to be rather unattractive to private financiers and investors. This raises the prospect of uneven development and uneven implementation of Agenda 21, which would, in turn, condemn a substantial part of humanity to perpetual poverty and growing environmental threats to health and welfare. Clearly the stakes are very high, particularly for the fast-growing human settlements in the least developed countries, which would seem to provide a rather compelling case for more effective joint programming by the United Nations system.

Box 4. Financing inter-agency programmes in human settlements: an estimate of financial requirements

The cross-sectoral nature of work in the area of human settlements lends itself to inter-agency cooperation and to supporting the implementation of the human settlements cluster of Agenda 21 through a strategic set of inter-related and well-focused inter-agency programmes. This set could include the following existing programmes:

- the **Urban Management Programme (UMP)**, a joint UNDP/World Bank/UNCHS/WHO programme launched in 1986;
- **the Urban Indicators Programme (UIP)**, a joint UNCHS/World Bank programme launched in 1993;
- the **Sustainable Cities Programme (SCP)**, a joint UNCHS/UNEP programme launche in 1990;
- the **Urban Poverty Partnership (UPP)**, a joint UNDP/UNCHS/UNV/ILO programme launched in 1992;
- the **Healthy Cities Programme (HCP)**, a WHO initiative which would hopefully become an inter-agency programme in association with UNCHS, UNEP and UNICEF;
- the **Community Development Programme (CDP)**, a UNCHS/DANIDA programme supported by UNDP at the country-level;
- the **Metropolitan Environmental Improvement Programme (MEIP)**, a joint UNDP/World Bank initiative in Asia.

It would also include the following proposed programmes:

- the **Public-Private Partnership Programme (PPP)** to be launched in 1994 by UNDP, UNCHS and UNEP in association with the Business Council for Sustainable Development;
- a new **Urban Environmental Technology Exchange Programme (UETEP)** to be prepared by UNCHS and UNEP in collaboration with the Regional Commissions focused on building and in frastructure technologies, including water supply, sanitation and solid wastes;
- a new **Urban Mass Transport Exchange Programme (UMTEP)** to be prepared by UNCHS and the World Bank, to address equity, energy and pollution issues. UNDP and the Regional Commissions could be associated with this programme;
- a consolidated **Local Government Training programme (LGTP)** based on the long lasting UNCHS/World Bank collaboration in this area;
- a **Land Management Programme (LMP)**, to be prepared by UNCHS and FAO, to address land management issues.

In addition, a **Local Environment Facility (LEF)** might be established to provide small grants (up to US$5 million) to city demonstration projects, mainly in the Least Developed Countries.

The average annual financial requirements of the above mentioned programmes over the next 5 years would be as follows (in million of US$):

	MUNICIPAL	NATIONAL	SUB-REGIONAL	REGIONAL	GLOBAL	TOTAL
UMP	30	15		4	2	51
UIP		3			1	4
SCP	15				3	18
UPP	20	10		1	1	32
HCP	5			1	1	7
CDP	20				2	22
MEIP				3		3
PPP	10	1	1		2	14
UETEP				4	1	5
UMTEP		5	3	2	3	15
LGTP			3	2	1	6
LMP			1	1	2	4
LEF	25				1	26
TOTAL	125	34	10	18	20	207

The total financial requirements would amount to US$207 million annually. This represents approximately 10 percent of the total United Nations technical cooperation expenditures (roughly US$2 billion per year). This is consistent with the capital assistance provided by the World Bank, which devotes 9 per cent of its total lending to urban development projects.

Source: UNCHS (Habitat) and above-cited United Nations agencies.

III. FUTURE DIRECTIONS: POLICY RECOMMENDATIONS

The human settlements development goals of Chapter 7, and other chapters of Agenda 21, are being pursued by United Nations agencies and by a wide range of private and public actors at both the national and international levels. Despite a number of promising activities and new initiatives, however, the overall impact is not sufficient to deal with the enormous scale of human settlements problems, especially in the developing countries. Moreover, at this initial stage of Agenda 21 implementation, it appears that some programme areas of Chapter 7 are receiving less attention than others. If this trend continues, implementation of Chapter 7 will be lop-sided at best. Given the interdependence of the various programmes of the human settlements chapter, this would mean, in effect, failure to reach some of the central socio-economic and environmental goals of Agenda 21.

Furthermore, the explosive growth of urban areas in the developing countries not only will progressively complicate and exacerbate inter-related problems of human settlements and the environment, but will also greatly accelerate the demand for infrastructure, basic services and housing in expanding urban areas. The situation is not static, but fluid; urbanization has created a dynamic of its own. Failure to act expeditiously just increases the ultimate cost of intervention. Meeting these future needs, as well as the accumulated back log, will be one of the principal challenges for sustainable development and Agenda 21 implementation. Clearly there is a resource gap, which cannot be bridged with old cliches and new buzz words. The money will have to come from somewhere. Both historical and contemporary examples demonstrate the positive relationship between infrastructure (capital) investment and economic growth: one is the prerequisite for the other. Failure to act in this key area will only worsen environmental problems in human settlements, thus dimming the opportunity for sustainable development. All this underscores once again the observation made at various points in this review, that the overall challenge of sustainable development will, in fact, become, over time, more and more a human settlements challenge, and it is in human settlements that this challenge will have to be met.

The review and assessment undertaken in this working paper also leads to the inevitable conclusion that, to achieve the goals of sustainable human settlements development, more clearly focused and effectively coordinated action by the world community will be required. In particular, future efforts should emphasise active collaboration and concerted activity by all the relevant actors and interested parties (United Nations system agencies and bodies, other multilateral and bilateral agencies, national and local government, the private sector and other «major groups»). Such an effort should concentrate on identifying (and acting on) priority issues, improving management approaches and on devising and applying effective delivery strategies.

On the basis of this initial review and analysis of progress in the implementation of Chapter 7 of Agenda 21, with all its limitations (of available information and time), it is already possible to identify some major priority issues, and suggest management approaches and delivery strategies which hold the promise of more effective implementation of the human settlements programmes of Agenda 21. These are expressed below, in the form of general and specific recommendations. In considering these recommendations, it should be kept in mind that although these are based on only a little more than a year's experience in Agenda 21 implementation, it is less costly and easier to make modifications and course corrections to strategies and programmes at an early stage than further down the road.

A

Emerging priority issues

In general, it is absolutely vital to promote a better understanding of the present and future importance of human settlements to sustainable development and of the interactions between urbanization and the environment. All of this is still not very well appreciated by all, policy-maker and ordinary citizen alike. However, such an understanding must focus attention on strategically important and operationally relevant issues, to resolve uncertainties or conflicts concerning such issues, and prioritize them in a realistic manner. Only in this way can feasible strategies for action be formulated. The preceding assessment seems to suggest that the

following are some of priority issues which must be addressed to facilitate the implementation of the human settlements chapter of Agenda 21:

■ *Bridging the resource gap.* As already indicated above, developing countries, giving urbanization trends and existing unmet needs, are facing a financial crunch when it comes to the enormous investment requirements for urban infrastructure and basic services. Such investments are necessary prerequisites for economic development and the improvement of environmental conditions. Given the general prospect of cutbacks in multilateral and bilateral assistance (with only a few exceptions), greater emphasis than before must be placed on the development of financial mechanisms and on domestic resource mobilization for human settlements development, as well as on increasing the real value of existing and future investments through better management practices, clearer lines of accountability, improved operations and maintenance capabilities and appropriate technologies which can exploit effective demand. In fact, it could be argued that a main emphasis of United Nations technical assistance should be in this direction and could become a major contribution of the United Nations system to achieve Agenda 21 goals. Such efforts need to address three principle issues: a) how best to mobilize resources to finance the delivery of urban services; b) how to improve the financial management of those resources; and c) how to organize municipal institutions to promote greater efficiency and responsiveness in urban service delivery. When combined with market and regulatory reform, such measures can also open the door to greater competition in the provision of basic services and to private equity finance for urban development.

Box 5. Financing transport investment in Indonesia

Indonesian investment in roads, airports, mass transit, and seaports has been financed with a combination of sources. User charges directly financed about 10 percent of investment. User fees can be levied in a number of areas, including mass transit, airports, and seaports. Toll roads can only be selectively implemented, but road usage can be priced in other ways, such as through gasoline taxes. External funds from donors plus other foreign borrowing have contributed about 40 percent of transport finance. Local funds, which can include general tax contributions and domestic borrowing, have provided the other half of finance. World Bank analysis has recommended doubling the share coming from user fees and reducing other local funds during the next several years.

Source: Infrastructure: A Strategy for Infrastructure Development (Washington, D.C., The World Bank, Country Operations Division, Asia Region 1991)

■ *Linking technical assistance with capital investment.* The vast majority of United Nations System agencies are primarily providers of technical assistance. Many of the programme areas of Chapter 7 require large amounts of capital investment to reach their objectives. On the other hand, technical assistance often prepares the ground for capital investment by banks and private firms. There is, therefore, a need to broaden the range of actors for the implementation of Chapter 7, beginning with regional development banks, through joint programming and coordination of activities. Ideally, such cooperation should be extended to the private financial and business sector and modalities developed for it. The UNDP/UNCHS/UNEP Public-Private Partnership Programme (PPP) proposal with the Business Council for Sustainable Development may be considered as a step in this direction (see box 9).

■ *Focus on the «Brown Agenda».* Among the most critical problems facing human settlements in developing countries are the health impacts of urban pollution that result from inadequate water, sanitation, drainage and solid waste services, poor urban and industrial waste management, and air pollution, especially. Collectively dubbed the «Brown Agenda», this set of issues is closely linked to the poverty-environment relationship.[11] Important underlying issues typically involve inappropriate land use, precarious housing, deficient public transport and road congestion and accidents. A focus on the «Brown Agenda» lends itself to a comprehensive and strategic multi-sectoral and thus multi-actor and multi-agency approach to sustainable human settlements development which isolated actions along sectoral lines could not hope to achieve. Such an approach is particularly required in human settlements. It would also allow for linkages to «human settlements» components of Agenda 21 which are outside of Chapter 7. For instance, improved infrastructure and services for both small communities and urban centres alike are a critical part of Chapter 6, «Protection and Promotion of Human Health». Chapters 18 to 21 also have important human settlements components. A focus under the umbrella of the «Brown Agenda» could concentrate effort and resources and avoid duplication.

■ *A comprehensive approach to urban poverty.* Many of the problems of access to basic services, housing, healthcare etc. of low-income groups (which in many developing countries constitute the majority) are grounded in their poverty and lack of income. It seems reasonable to suggest, therefore, that one of the most effective means to redress the service and housing needs of the poor is through a comprehensive assault on poverty which links community economic development and employment generation with the provision of housing, health and other basic services. Such an approach may also be one of the most effective means to accelerate implementation of the objectives of the Global Strategy for Shelter as is foreseen in the housing programme of Chapter 7, which at present is falling behind its goals. Examples of this would include the Urban Poverty Partnership programme which has recently been initiated by UNDP, UNCHS (Habitat) and ILO. Comprehensive and inter-linked community development strategies implemented through intermediaries such as non-governmental and community organizations, if given a firm economic and organizational basis, not only provide sustainable approaches to alleviating poverty, but also serve as vehicles to focus and bring together a number of related programme areas across Agenda 21. A concerted focus on urban poverty would also slow the process of social disintegration and urban violence which is so apparent in many cities and towns today.

■ *Even and balanced implementation of all programme areas of Chapter 7,* with more emphasis on such key programme areas as land and transport, which have been relatively neglected until now, thus putting into question the goal of sustainable development. As observed earlier, implementation of the programme areas of the human settlements chapter is proceeding at an uneven pace. For example, there is not very much movement in the area of land management, with no new inter-agency initiatives having commenced. Much of the focus in this programme area appears to continue to be on technical aspects of land registration (land and geographic information systems, and so on), and here efforts also seem to be falling behind growing needs. But with urban land requirements being roughly at par with urban population expansion, there is a need to manage the process of land planning, acquisition and development to avoid ecological damage, to reduce the cost of urban development and to guide the conversion of agricultural land for urban use. At the edge of rapidly expanding metropolitan areas, at the urban-rural interface, the process of urban expansion is particularly chaotic, and often takes place outside any legal framework and jurisdiction, with immense negative ecological, social and economic consequences. Controlling this «Wild West»-like situation at the urban frontier should be a priority of human settlements action. What has hindered it so far is the political sensitivity of the land issue. Control over land tenure is, after all, still the basis of power in many societies. This having been said, it should not, however, prevent an inter-agency initiative from being attempted to assist countries in this regard. It is ready-made for United Nations action as the emphasis would be on technical assistance: regulatory reform, legislation, enforcement, management mechanisms. Ideally such an initiative could combine the relevant programme areas of Chapters 7 and 10 (Integrated Approach to the Planning and Management of Land Resources) as well as all concerned agencies, particularly FAO and UNCHS (Habitat).

As for transport, urban transport certainly deserves greater attention than it has received so far, beginning with urban transport planning and management to reduce air and noise pollution, congestion and energy use. Beyond this, however, there is a need to re-think the whole issue of transport in urban areas and to promote a shift to mass transport and measures to encourage its use, especially given the rising motorization levels in urban areas, which may be environmentally unsustainable, ultimately economically inefficient and lead to a lowering of urban productivity. Although front-end costs are expensive, such investments in mass transport may ultimately be more cost-effective when all factors are taken into account. It may also offer the opportunity for the introduction of energy-saving and environmentally-friendly transport technologies. However, the introduction of mass transport requires an effective long-term urban planning and management mechanism and, often, overcoming powerful political opposition. It can only be successful in cooperation with the private economic interests which dominate the transport business in most cities and countries. The United Nations is well placed to spearhead such an approach, beginning with policy advice and technical assistance, but it will only come to full bloom if it includes development banks, bilateral institutions and the private sector as investor and developer of transport technologies.

■ *Putting in place a macro-economic policy framework at the national (and international) level compatible with achieving sustainable human settlements development and Agenda 21 goals.* Serious consideration must be given to the type of macro-economic framework and policies which are compatible with achieving sustainable development goals. This issue has been side-stepped so far in Agenda 21. The situation is similar to building an automobile without a motor to drive it. Surely, without it, Agenda 21 will not go very far. What is required are economic policies that will allow countries to meet the environmental, economic and social objectives of Agenda 21 simultaneously, not sequentially. The dominant macro-economic policy framework in

place in all countries today is a liberal market-oriented one, emphasizing monetary stability and export growth. Is this approach compatible with Agenda 21 or will it need modifications?

Furthermore, structural adjustment programmes implemented in many developing countries since the 1970s may have serious ramifications for current and future human settlements management and development. Certainly, macro-economic policy can have powerful effects on the process of urban development and on the performance of the housing sector in particular. This would lead one to conclude that if Chapter 7 programmes are to have any impact, there must be more of a meshing between Agenda 21 objectives with the «real» world economic processes which are transforming all countries. Both must be integrated with each other and not continue to exist as if in separate spheres. Otherwise Agenda 21 will remain a paper manifesto of an «ideal» world while another is relentlessly being created, with untold environmental and social consequences for future generations.

Returning to the specific issue of structural adjustment programmes (SAPs), this means that the policy decisions taken by national governments within the context of SAPs must take into account the growing economic and social importance of human settlements as a consequence of urbanization, and take care not to worsen, but rather seek to ameliorate, growing urban environmental problems and levels of poverty. In the light of this, it seems reasonable to suggest that sectoral agencies, including, of course, those active in the areas of human settlements management and development, work at the country level in assisting the authorities to prioritize spending projects and requirements across sectors. This would greatly facilitate decision-making in countries faced with severe resource constraints and would be a positive contribution to all countries, particularly for those embarking on structural adjustment.

For it is certainly true, that judicious adjustment programmes can build some of the necessary economic foundations for sustainable development, especially through regulatory and market reforms (particularly land, housing and financial market reforms in the case of Chapter 7). Moreover, by achieving monetary stability, and subsequently convertibility of previously weak national currencies, SAPs can help to integrate countries into the global economy and provide both governments and the private sector access to financial markets, as well as open the door for private investment in human settlements development.

■ *Strengthening the economic, political and social institutions and organizations of civil society in developing countries.* The United Nations system's contribution at best can be that of a catalyst. In the final analysis, implementation of Agenda 21 can only be sustained by organizations and institutions in the concerned countries themselves. In many developing countries, they tend to be weak and ineffective and require support. In the area of human settlements and management, this means institution-building, especially at the local municipal level where policies, programmes and projects are implemented; supporting and building the capacity of community groups as intermediaries and organizers; and, finally, assisting the private sector in developing countries build-up its ability for human settlements development and management. This may require, at times, political and economic reforms at the national level, a challenge which the United Nations will not be able to sidestep if it wishes to see successful implementation of Agenda 21. One method to strengthen institutions and organizations of civil society may be through the strengthening and building of networks at the national level and by providing such networks with avenues for external support, as the UNDP has done in Indonesia, for example. UNICEF and many international development NGOs have also done much to strengthen NGOs in the developing countries. Other United Nations system agencies are also doing their part: UNIDO in the case of the construction sector, for example. WHO is doing valuable work in the basic health sector; (UNCHS) Habitat's Community Development Programme is focused on training community leaders; the World Bank on institution-building. Local authority and international professional associations are supporting their counterparts in developing countries. What is needed now is to bring all of this under one umbrella. This should not be confused with centralized control, but rather linkages which allow for information exchange, the pursuit of common objectives, and the avoidance of duplication.

■ *A greater focus on human settlements development environment interactions in research and analysis.* Although some progress has been made to increase the understanding of the role of human settlements in development processes and the impact of urbanization on the environment - and governments and the international community have begun to act on that knowledge - there is an urgent need for «more learning before doing» and to disseminate that knowledge so as to inform policy-making. This is especially the case when it comes to projections of the impact of future growth of urban settlements on changing development patterns in the developing countries; the economic role of cities and the wider regional environmental impact of continued

urban growth. Examples of good practice need also to be documented and disseminated globally. Knowledge and information gained as a consequence of intensified and more focused urban and urban environmental research should be easily accessible and disseminated through information networks linking private and public research institutions, United Nations agencies, NGOs the business sector and to government advisory and policy planning bodies. Establishing such a mechanism for the collection and dissemination of information should be a priority task of the United Nations system, which is well-placed to handle it. Finally, more research should lead to the development of better tools to measure the environmental impact of past, present and future urban growth.

Box 6. «Win-win» solutions

In Mexico City, where the economic damages due to the health effects of air pollution are estimated to be $1.5 billion a year, the World Bank and the Mexican Government have developed a «win-win» plan for air-quality management. By comparing the cost per kilogram of emission eliminated through options ranging from vapour recovery to fuel improvements, Bank researchers were able to rank the cost-effectiveness of several alternative measures. They found that significant reductions in transport-related emission are possible at moderate cost by using a combination of regulations, incentives, and fuel taxes. Based on the least-cost analysis, the Bank is supporting a transport and air quality management project for the city. It includes a vehicle component that will support the replacement of old high-use vehicles (such as minibuses) with new emission-controlled vehicles as well as funding for fuel conversions and a retrofit of emissions controls. Also included are components related to fuel, transport management, air-quality research, and monitoring and institutional strengthening.

Source: Carl Bartone and others, op. cit.

■ *Support for the development and diffusion of pathbreaking and appropriate technologies for sustainable human settlements development.* Historically, new technologies have expanded the carrying capacity of the Earth. In the light of urbanization trends, growing needs and urban environmental decline, greater emphasis has to be placed on the development and diffusion of pathbreaking technologies which are both affordable for developing countries and environmentally sound. Such an effort should support all programme areas of Agenda 21 focused on environmental technology and should involve all relevant agencies and major groups, in particular the private business sector, the scientific community and NGOs. A particular focus of United Nations action should be on catalysing, coordinating and diffusing research, development and information on promising new technologies and to promote their application.

■ *Addressing special needs of vulnerable groups.* A serious aspect of the current crisis in human settlements development and management is the unequal burden it places on the more vulnerable groups such as women and children. As intensive users of the indoor environment, women and children are more susceptible to diseases related to overcrowding and the lack of adequate environmental services. Also, women, particularly single women with children and abandoned wives, continue to labour under significant disabilities when it comes to access to shelter. Even when they have legal rights to land and property, customs and disciplinary practices often prevent them from exercising those rights. Future policy must address these issues as well as those of abandoned children, an ever-growing problem in urban centres of many developing countries as a consequence of poverty, social disintegration and the stress of everyday urban life.

■ *Special measures for the least developed countries* as they lack the domestic resources to implement the recommendations of the human settlements programmes of Agenda 21. Implementation of the human settlements programmes of Agenda 21 will be difficult enough even for those middle- and high-income developing countries which are enjoying economic growth. It will be virtually impossible for the poorest of developing countries whose economic future is already anything but bright given the circumstances in which they find themselves. But it is exactly in these countries where the social consequences of urban growth have been most severe and where environmental problems are increasingly rapidly precisely because of the lack of institutional capacity, technical skills and resources to deal with them. To speak of domestic resource mobilization under these circumstances is a cruel joke. In this regard, it is well-worth noting that one of the more absurd oxymorons that has surfaced in development literature in recent years in response to this and similar situations has been the call «to mobilize the resources of the poor». Apart from determination and human resources, however, there is little by way of financial resources to mobilize and this is why the least developed countries will require special funds and assistance, possibly similar to the GEF mechanism, to enable them to implement

Agenda 21 programmes. And such mechanisms must be part of a wider programme of development assistance and other measures to foster accelerated economic growth.

■ *Coordination: focus and coverage.* Programme and project activities should be more clearly and narrowly focused on strategic priority issues. This should, however, not be exaggerated. It is important to eliminate or reduce outright redundancy of effort, although overlap *per se* is not necessarily a disadvantage; overlap can also represent a creative diversity of approach which can be effective if clearly oriented toward the same or complementary issues and objectives. Too much coordination can be worse than too little: it can suppress creativity, obscure the real diversity of needs and views, and add costly additional layers of non-productive administration. And no one wants to be coordinated from the outside. The focus should be on inter-agency joint programming with the major groups rather than on setting up new coordinating mechanisms. Both ongoing single-agency strategic programmes as well as new programme development initiatives should as a rule become multi-agency programmes, so as to force the United Nations system to learn to capture the added value of synergy among partners.

■ *Acknowledgement of the «political» dimension.* Identifying and reaching agreement upon priority issues inescapably involves a political and social process, not simply a technical process. Avoidance of politically-sensitive issues may be administratively convenient, but it carries the danger of diverting effort into less important and non-strategic directions. Thus, the process of reaching agreement on issues and their priorities must be a participatory process: it should be a «bottom-up» process, not the more familiar «top-down» process.

■ *Reconsidering the cross-sectoral nature of human settlements.* In an urbanizing world, human settlements, especially cities and towns, will be the place where most of the sectoral programmes included in Agenda 21 - be it water-resource management, the management of solid wastes or the protection of the atmosphere - will have to be largely implemented. It is at the human settlements level that various policy initiatives will become an operational reality, and where relevant actions will have to be coordinated and managed. Also, since peoples and communities are the central actors and the driving force behind human settlements development, the broader human development needs can be met in a large measure through this process. Sustainable development of human settlements is, therefore, crucial to sustainable development at large. Sensitizing national policy-makers and planners and the international community on the cross-sectoral nature of human settlements will be an important initial step toward sustainable development.

B

Promoting effective management approaches

Throughout this paper, the importance of human settlements management and of good management practice has been repeatedly stressed, not only for the implementation of the programme areas of Chapter 7, but also for the implementation of the other programmes of Agenda 21 which come together at the local level. The technical or substantive content of development activities will vary, but the management frameworks and approaches should be coherent and consistent, because it is the overall management process which typically determines the success of individual programmes and projects. Moreover, one of the more important justifications for competent and accountable human settlements management is the cost-effectiveness of forward planning and preventive management actions in the face of the dynamic process of urbanization. Based on experience, and on the analysis of expected needs contained in this paper, the following recommendations are suggested to strengthen management practices so as to facilitate the speedy implementation of the human settlements chapter in particular and Agenda 21 in general:

■ *Promotion of modern development management approaches.* More vigorous and focused promotion of modern development management approaches (based on principles such as transparency, accountability and efficiency) is urgently required. More than technical skills, what local administrations require in many developing countries are basic management and organizational skills to carry out their responsibilities. This should be the first priority of capacity-building for urban management. Technical skills and competence should be grafted on to this edifice. This is not the case today. Management approaches and techniques should: (a) address the need to mobilize, coordinate and more effectively apply local technical and institutional resources; (b) involve strategies for broad-based participatory approaches to problem identification, strategy and plan formulation; and (c) apply the full range of instruments available for implementing strategies and managing

development. Even where the private sector is the primary protogonist and agent of development (and this is the case in most countries today), it cannot carry out this role in the absence of an effective development management and institutional framework, whether at the city or national levels.

■ *Convergence on key characteristics of appropriate management.* Effectiveness of development activities can be significantly enhanced by «learning from experience»: incorporating key management approaches which have proved to be appropriate in the human settlements context. These include the following characteristics: a process rather than a plan orientation; an emphasis on «connectedness» rather than «comprehensiveness»; a results-and-output orientation rather than a procedural-and-input orientation; making full use of local expertise and financial resources; utilizing the full range of implementation instruments; collaborative and non-bureaucratic decision-making processes; and use of streamlined strategic planning.

■ *Concentration on strategic interventions.* Because it is not realistically possible to push forward simultaneously on all fronts, it is important to focus on a limited number of strategic interventions or activities which can then be effectively managed even with limited resources. Land management is an excellent example of a strategic and «cross-cutting» topic which is of fundamental importance to almost every aspect of sustainable human settlements development.

■ *Focus on good governance, not just better management.* The wave of democratization which is sweeping many countries around the globe has focused attention on the political dimension, and in particular on the political processes and institutions which do so much to shape urban life and the development prospects of human settlements. If sustainable development is to succeed at the local municipal level, these processes must be inclusionary and transparent, so that political decisions regarding urban development, provision of services, fees, charges and taxes etc. are seen as legitimate and complied with by the entire community. Only an open political process is capable of eliciting the participation of lower-income groups and of bridging the economic, political and social schisms which separate many urban communities. Good governance also means curbing malfeasance and corruption at the level of municipal institutions. Failure to do so impacts negatively on the ability to create a professional and effective management/administrative structure, puts the legitimacy of municipal government in question and acts as a barrier to full and equal participation of stake-holders in the process of human settlements development.

■ *Broad-based participation.* Management approaches should be firmly based upon meaningful involvement of all of the relevant actors: local government, private sector («formal» and «informal»), households, community groups and NGOs, women, the poor, and other marginalized or disadvantaged groups. This participation should encompass all different aspects of the management process: in strategy formulation, planning, implementation and evaluation of human settlements development. This participation is important to give all actors a sense of common purpose and ownership, because if they are not involved in planning and decision-making, they are unlikely to support implementation. Operationalizing such participation will not be easy, and a full-scale participatory process will probably emerge slowly in most situations; still, strong and consistent efforts must be made to move things in this direction.

■ *Strengthening local authorities.* As has been observed earlier, most of the human settlements programmes of Agenda 21 (and many other related programmes as well) will have to be implemented at the municipal level. At present, local authorities in many countries are financially and politically weak and dependent on central government. They are often actually prevented by statutes and legislation from pursuing local opportunities for development and from taking the initiative in exploiting the local resource base for development purposes. Efforts to improve the efficiency and responsiveness of urban service delivery by local authorities must go hand-in-hand with political decentralization. Accordingly, measures should be vigorously pursued which: clarify the responsibility for service delivery between levels of government; reduce the uncertainty of, and better target, central to local government transfer programmes; increase municipal government access to financing for capital investments; and institutionalize systems of accountability which are responsive to local constituents.[12]

Box 7. New approaches to urban management in Dar-es-Salaam

Dar-es-Salaam, in the United Republic of Tanzania, has begun to develop and apply new approaches to human settlements planning and management, with an explicit emphasis on sustainable urban development. This effort originally developed around the following local priority issues: solid-waste; servicing urban land; air quality; surface water; coastal area resources; recreational and tourism resources; and urban agricultural potential. New urban management techniques were introduced and operationalized by local government and its partners through the process of addressing these issues. The approach has succeeded in widening the basis of participation in development decision-making and in mobilizing a wealth of local resources through new partnerships among the public, private and community sectors. This new sustainable development planning process will also result in strategic plans, action plans and packages of mutually supporting investment projects.

The cross-sectoral and inter-institutional planning and management arrangements established around the initial priority issues have, through their success, become a framework through which additional urban environment issues are now being addressed in a more coherent and effective manner. Additional technical cooperation support (approximately $15 million) for building urban environmental management capacity is currently being discussed with nine bilateral and eight multilateral external support agencies. Stimulated by these achievements, the Government of the United Republic of Tanzania has initiated a national programme for sustainable urban management, to replicate the lessons learned in Dar-es-Salaam in eight intermediate cities. The Dar-es-Salaam municipal government and the Government of the United Republic of Tanzania are being supported in these efforts by UNDP's country programme, and through the Sustainable Cities Programme, the operational arm of the environment component of the UNCHS/World Bank/UNDP Urban Management Programme.

Source: UNCHS (Habitat)

Box 8. Intergovernmental transfers

Intergovernmental transfers refer to financing assistance provided by one level of government to another. Normally the transfer goes from the national to a local or state (provincial) government or from the state to a local government. Intergovernmental transfers are normally by far the largest single source of revenue for local governments. Transfers can serve several important positive roles in the financing of municipal services. First, they permit central governments to influence the sectoral pattern of local expenditure; to use the power of the purse to induce local governments to undertake expenditures that are of national, rather than local interest, compensating local government for the costs of services that central government is expecting them to provide. Secondly, transfers permit central governments to use local governments as agents of national income-redistribution policies; by using the greater revenue-raising ability of the higher level of government to improve equity. Thirdly, if they are well targeted and predictable, transfers can improve the efficiency of urban service delivery. Transfers may be in the form of grants or loans. They do not increase the revenues available in government; they merely shift the resources from one level of government to another.

Source: See William Dillinger, Decentralization and its Implications for Urban Service Deliveries (UMP 16) and William E. Fox, Strategic Options for Urban Infrastructure Management (UMP17) (Washington, D.C.) UNCHS (Habitat)/World Bank/UNDP Urban Management Programme 1994.

■ *Maximum use of local resources.* Sustainable human settlements development, to be effective, must be firmly based in the local/national economy and society, and must be build on local knowledge, capacity and action. Resources of all kinds are strictly limited; thus, interventions (financial, technical, or other) should be aimed at the maximum «leverage» or «multiplier» effect. In other words, management of development activities should aim for the systematic mobilization and effective application of the the fullest possible range of local human, technical, economic, financial and organizational resources. This is vital, not only to secure a sufficient quantity of resources (for example, user charges are often the most effective way to finance municipal services to individual consumers), but also to liberate and utilize the ingenuity and creativity which is present in the various actors and stake-holders. This is yet another reason why broad-based participation is vital.

■ *Full incorporation of environmental considerations into management and urban planning practice.* In many countries, consideration of environmental factors is still not incorporated in the local planning and management process. The local and wider regional environmental impact of urban growth (especially in environmentally-sensitive zones and in coastal areas) is not very well understood and thus not taken into account

when development decisions and investments in infrastructure are made. Management and planning tools such as environmental impact assessment should be incorporated into planning and management practice at the local level, and environmental management frameworks put in place which involve all stake-holders in the decision-making process.

■ *Partnership and collaboration.* Greater use should be made of genuine «partnerships», especially those which link public and private sectors, which link external, national and local institutions, and which link public organizations with NGOs and community groups. Partnership means much more than simple administrative «coordination»; it means an active and interactive «collaboration» in which the partners share responsibilities, duties and rewards. «Models» for effective partnership in urban and environmental management are emerging in various parts of the world and should be rapidly replicated where appropriate. (Partnership is also an effective form of participation.)

■ *Consistency and coherence of guidance.* It is important to promote consistency and coherence in the guidance given by external support agencies to governments and other stake-holders. However, consistency does not mean uniformity; approaches which are different may, nonetheless, be mutually reinforcing and complementary - and a variety of approaches may be a stimulus to innovation and creativity. Coordination of management approaches should be «bottom-up» and practical, coming from the local stake-holders and clientèle; United Nations or other external agencies should not impose «top-down» and unrealistic forms of coordination.

■ *Building «capacity-for-capacity».* Perhaps one of the most important priorities for external support agencies (the United Nations system included) should, in future, be capacity-building for all aspects of human settlements management. This is already well understood by a number of United Nations agencies. Given the immense needs, the best approach would be one which focuses on building «capacity-for-capacity», in other words, strengthening the capacity of local training institutions for capacity-building in all aspects of human settlements management. Such capacity-building should go beyond training just for managerial and technical staff, but also include NGOs and others which are increasingly acting as intermediaries in the delivery of services and in assisting low-income communities. Such an approach, which has been pioneered by UNCHS (Habitat), the World Bank and UNDP in their joint efforts to improve settlements management capacity is more sustainable, and more effective than externally-financed and «one-off» training courses. This approach would give an opportunity to public and private human settlements training institutions in developing countries to link with others in a process of South-South cooperation for capacity-building.

C Applying more efficient delivery mechanisms

Innovative and efficient delivery mechanisms for external support are crucial if progress towards the goals of Agenda 21 is to be accelerated. This applies to all of the various ways in which external organizations (especially the United Nations system) seek to promote sustainable human settlements development: technical cooperation, international conventions and agreements, capacity-building, technology transfer, awareness-raising etc. Systematic efforts to promote effective and innovative delivery mechanisms will help identify opportunities for mutual learning among external support agencies, stimulate the exchange of experience and of «best practice», increase the scale and complementarity of beneficial impacts of external support, and thus allow the best use of relative «comparative advantage» among different organizational and institutional «entry points». To move coherently in this direction, a number of policy guidelines can be recommended. These are:

■ *Consortium approach to key issues.* As has been suggested earlier, one of the more efficient ways to implement the human settlements programmes of Agenda 21 may be through a focus on a number of strategic issues which can serve as an umbrella through which the objectives of programme areas of Chapter 7 (and related programmes in other chapters) can be implemented in a cohesive and effective manner. Examples of such «umbrellas» would be the «Brown Agenda» and urban poverty. A consortium of all agencies which have a stake in the issue could then be formed for long-term support in implementation through joint programming, pooling of resources etc. Ideally, it should be possible to identify a relatively limited number of umbrella issues through which the vast majority of all Agenda 21 programmes could be linked and implemented. This would

make operationalizing Agenda 21 easier and remove difficulties inherent in the sectoral structure of Agenda 21.

■ *Promotion and support for inter-agency initiatives.* Inter-agency cooperation in the implementation of Agenda 21 must be supported and actively promoted, otherwise it will not take place to the extent required for the speedy implementation of Agenda 21. The Commission on Sustainable Development should consider ways and means by which financial resources could be allocated on a priority basis (such as funding mechanisms for multi-agency programmes which pursue Agenda 21 goals), so as to promote interagency collaboration in the implementation of Agenda 21 programmes.

■ *Joint programming and new strategic alliances.* The range of collaborative approaches should also be widened beyond the traditional external agency/national government arrangements. As has been stressed throughout this paper, emphasis should be on developing and expanding joint programmes and activities of the United Nations system of agencies, based on new alliances (for example, with the private sector and business community, or directly with NGOs and local communities), in order to mobilize and channel the enormous potential which lies outside the established international assistance mechanisms.

■ *Better application of «best practice» in delivery mechanisms.* Steps should be taken immediately to disseminate wider awareness and understanding - and ability to effectively apply - generally recognized «best practice» in delivery approaches. This would include an emphasis on features such as: reliance on demand-driven systems, use of networking and TCDC, «bottom-up» and system-wide capacity building, the use of demonstration-replication strategies, regionalization and decentralization etc. There is need for a thorough overall review of «best practice», based upon experience in human settlements development activities, to provide a basis for systematic dissemination of effective «models».

■ *Replication, networking, and regionalization.* Greater use should be made of demonstration-replication strategies, through which projects or programmes are designed with explicit mechanisms for replication, within the country and elsewhere. Replication requires conscious design and support, however; it does not occur simply by force of «good example». Similarly, greater use should be made of networking and regionalization: the linking of similar or related activities within countries and, especially, among countries. This approach enhances the opportunities for TCDC, for South-South cooperation, for mutual learning, and for capacity-building based on local/regional experience.

Box 9. Public private partnerships for sustainable development

One of the most promising examples of the new generation of multi-agency urban initiatives with the private sector is the Public-Private Partnerships Programme (PPP) which is being developed by the Business Council for Sustainable Development (BCSD) with the support of UNDP, UNCHS (Habitat) and UNEP. This Programme is based on promoting investments to address some of the most widespread environmental problems affecting urban and peri-urban dwellers worldwide. Both preventive and remedial investments are being targeted in the areas of water supply, sanitation, waste management and energy sources.

Source: United Nations Development Programme

■ *Greater local orientation.* Greater emphasis should be given to delivery mechanisms which allow external agencies to work directly with and for local communities and local governments, in genuinely decentralized activities which promote greater development and utilization of local resources.

■ *Utilization of Habitat II opportunities.* Maximum utilization should be made of Habitat II (the Second United Nations Conference on Human Settlements) as a world-wide forum for raising awareness, coordinating approaches and marshalling support. It should be used to focus the attention of all relevant actors and stake-holders on a tightly-focused and results-oriented agenda of realistic action to improve significantly the social, economic and environmental quality of human settlements. For example, perhaps the two themes proposed for Habitat II on shelter and urbanization could be combined by promoting a new «Global Strategy for Sustainable Human Settlements» (building on the work of the «Global Strategy for Shelter»).

■ *Complementarity of strategies and entry points.* It is important to move towards consistency, through the promotion of complementary and mutually-reinforcing delivery strategies among external support agencies. This can have benefits by enhancing collective efficiency, improving integration with national efforts, and maximizing the impact of limited resources available for external support. The recent Country Strategy Note (CSN) initiative moves in this direction. However, «coordination» should not be sought as an end in itself; especially when institutionalized, coordination tends to divert resources from operations to administration and to stifle innovation, flexibility and responsiveness. Informal and non-institutionalized cooperation can be effective, especially where there is genuine «demand-driven» collaboration based on shared concepts and approaches. In some cases, however, better coordination is clearly required to avoid obvious redundancy and competition among agency efforts.

NOTES

1. The World Bank, World Bank Development Report 1992 (New York, Oxford University Press, 1992).

2. UNCHS (Habitat) and the World Bank, «A new focus on aid for urban development», note prepared for consideration at the Development Assistance Committee (DAC) meeting on Aid for Urban Development, 16-17 November 1992, Paris.

3. Cited in World Development Report 1992; see also World Health Organization (WHO), Our Planet, Our Health, (Geneva, WHO Commission on Health and the Environment, 1992).

4. UNCHS (Habitat) and the World Bank, op.cit.

5. Urban Policy and Economic Development - An Agenda for the 1990s (Washington, D.C., The World Bank, 1991).

6. United Nations Conference on Human Settlements (Habitat II), report of the Secretary General (A/47/360).

7. UNCHS (Habitat) and the World Bank, op.cit.

8. UNCHS (Habitat)/World Bank/UNDP Urban Management Programme; see also UNCHS (Habitat) and World Bank, op.cit.

9. «Urban development - donor roles and responsibilities», note prepared for the Development Assistance Committee (DAC) Meeting on Aid for Urban Development, 16-17 November 1992, Paris.

10. For figures cited above, see Ibid.

11. For a more detailed discussion of the Brown Agenda see Carl Bartone and others, Toward Environmental Strategies for Cities, UMP No.18, (Washington, D.C., UNCHS (Habitat)/World Bank/ UNDPUrban Management Programme, 1994).

12. For a more detailed discussion of decentralization issues see William Dillinger, Decentralization and its Implications for Urban Service Delivery, UMP No.16 (Washington, D.C., UNCHS (Habitat)/World Bank/UNDP Urban Management Programme, 1993).

ANNEX

IMPLEMENTING CHAPTER 7 OF AGENDA 21

A REVIEW OF CURRENT UNITED NATIONS SYSTEM ACTIVITIES

TO PROMOTE SUSTAINABLE HUMAN SETTLEMENTS DEVELOPMENT

March 1994

REVIEW OF CURRENT UNITED NATIONS ACTIVITIES

INTRODUCTION

The review of current United Nations system activities in the area of human settlements contained in this annex was prepared in response to the decision of the Commission on Sustainable Development to conduct a review at its second session in May 1994 of progress achieved since UNCED in the human settlements programmes (Chapter 7) of Agenda 21. In order to meet stringent deadlines imposed by obvious time limitations, the following programme-by-programme descriptive analysis of the implementation of the human settlements chapter was prepared over a period of three months by UNCHS (Habitat), which was designated as Task Manager for human settlements by the Inter-agency Committee on Sustainable Development in September 1993.

Preparation was preceded by a consultative process involving all relevant United Nations agencies. The information contained in this annex has been extracted from the contributions of the various United Nations agencies and other organizations named. An attempt was also made to give an impression of the type and scope of activities «major groups», as defined by Agenda 21 (NGOs, community organizations, the private sector, among others), are undertaking in the area of human settlements development and management. The purpose, however, was not just to illustrate. It also serves to give the reader an idea of the actual and potential contribution of major groups to the implementation of Agenda 21, for which the United Nations, in any case, cannot and should not be any more than a catalyst for action by others.

The present review does not attempt to capture and illustrate the whole universe of experience since the Rio Conference - every project, every local action - in the implementation of Chapter 7 on Human Settlements. This would be an impossible task given the restrictions of time and resources available to prepare this working paper. Neither would such an exercise be conducive to producing the kind of document required by deliberative bodies such as the Commission on Sustainable Development to assist focused decision-making. Rather, the review attempts to analyse general trends in each of the programme areas of the chapter so as to make possible an accurate assessment of progress so far achieved, and to form the basis of a set of recommendations which can facilitate a speedy and successful implementation of the human settlements programme areas of Agenda 21. That assessment and recommendations are presented in the main body of the report. They constitute a menu of policy prescriptions which should merit the attention and consideration of the international community.

PROGRAMME AREA 1: PROVIDING ADEQUATE SHELTER FOR ALL

Objectives of the programme

The primary objective of the programme, as stated in Agenda 21, is to achieve adequate shelter for rapidly growing populations and for the currently deprived urban and rural poor through an enabling approach to shelter development and improvement which is environmentally sound. Given the link between sound housing and health, and that improvement of shelter is an important, if not the most significant, step towards improving the living environment of people and for providing family stability and personal security, «Shelter for All» should be considered as one of the principal social development objectives of Agenda 21.

Since 1988, the major global programme to achieve adequate shelter for all has been the Global Strategy for Shelter to the Year 2000. As from 80 to 90 per cent of all shelter construction and improvement activities in all countries is done by those outside the public sector (private builders and developers, building societies, cooperatives and families themselves), the Global Strategy for Shelter calls for the establishment of an enabling legislative and regulatory environment which can facilitate accelerated improvement and construction of housing in general, but particularly by the urban and rural poor. This also requires a macro-economic policy framework which is compatible with such an enabling approach, and with housing development in general, and which values the contribution that construction can make to employment generation and economic growth.

Success also depends, given the wide range of economic agents and social groups involved in the construction of housing, on a good working relationships between these groups and government. Such a relationship is often dependent on a political climate which fosters cooperation and participation, but the establishment of such is usually determined by factors which lie outside the realm of the housing sector. This touches on something not considered very much in Agenda 21: the political dimension. The fact is that the achievement of sustainable development may not only depend on new partnerships, but also on the resolution of domestic and international, political, economic and social conflicts as an *a priori* step towards that kind of partnership for development.

Activities of organizations within the United Nations system

Since UNCED, UNCHS (Habitat) and UNDP, working closely with a number of other agencies, have continued to provide technical support to governments in the review of housing policies and in the preparation of national shelter strategies. Assistance has also focused on improving awareness of the need for public participation, private-sector involvement and the role of women in the shelter sector as well as on increasing cooperation with NGOs and CBOs. The Shelter Strategy Support Programme implemented by UNCHS (Habitat) with financial assistance from the Government of Finland has been a lead programme providing assistance to countries in the implementation of the GSS. Under this Programme, technical assistance has been provided to six countries, namely Costa Rica, Indonesia, Nicaragua, the Philippines, Uganda and Zimbabwe, in the formulation of national shelter strategies and translating them into viable and replicable shelter programmes. The experience of the Programme has also been documented for global dissemination. An additional means of dissemination has been through a series of subregional seminars for key policy-makers and representatives of the private sector, NGOs and CBOs. With UNDP's financial support, technical assistance has also been provided by UNCHS (Habitat) to a number of countries on GSS-related activities. While these activities have led to the acceptance of the enabling approach and the formulation of new policies and strategies in many countries, most of these are yet to reach the stage of implementation with the introduction of necessary regulatory reforms. The two main constraints to the successful implementation of the GSS in most countries are bottlenecks and inequities in both the functioning of land markets and in access to credit.

The World Bank has continued to make a major contribution to the implementation of the GSS in its shelter-related lending operations. The Bank's lending commitments for shelter total approximately $900 million annually (excluding the value of its related infrastructure lending). The Bank's policy orientations now clearly

reflect the Global Strategy directions and in 1993 the World Bank published a major policy paper entitled **Housing: Enabling Markets to Work** which basically operationalizes the Global Strategy within the Bank's lending operations. Accordingly, the Bank's lending has moved away from discrete sites-and-services and slum-improvement projects towards supporting enabling elements, particularly infrastructure and housing finance and urban land management. The Bank's lending has also tended, over the last two years, to take a holistic view of the shelter sector, placing more emphasis on sector (regulatory) reforms and on facilitating efforts by the private sector.

An important initiative to assist and guide implementation of the Global Strategy is the on-going Housing Indicators Programme of UNCHS (Habitat) and the World Bank. The Programme was designed to identify a set of key indicators that would be policy-sensitive, easy to collect and to update on a regular basis, with a view to producing a framework for monitoring the performance of the housing sector. The indicators provide a diagnostic tool to measure housing sector performance which is particularly useful for policy-makers, both to provide effective monitoring of the performance of the shelter sector and to measure the effects of policies on housing sector performance.

Box 1. Housing and Urban Indicators: new management tools for monitoring performance and policy-making

Housing is a key economic sector, the performance of which is critical both in its own right and also because of its link with broader social and economic goals. Paucity of indicators makes it difficult for national governments to monitor and review the performance of the sector and to measure progress in the attainment of national human settlements goals, in line with the Global Strategy for Shelter to the Year 2000. Further, the lack of comparative data also makes it difficult for key national constituencies to compare their shelter sector performance with other countries with similar circumstances. The Housing Indicators Programme, a joint programme of the United Nations Centre for Human Settlements (Habitat) and the World Bank, has developed a set of key policy-sensitive indicators based on the findings of an Extensive Survey conducted in over 50 countries.

The 10 key indicators identified for global application have been selected with the objective of getting a measure of the performance of the sector from several different perspectives such as those of housing consumers, housing producers, housing-finance institutions, local governments and central governments. In examining the links between policies and housing outcomes, the analysis of indicators has established that poor housing outcomes are often as much, or more, the result of inadequate policies than of levels of income or expenditure.

These indicators provide a management tool for the key stake-holders of the public as well as the private sector to identify key policy imperatives to address the pressing problems of housing. The success of the Housing Indicators Programme has provided the impetus to develop a set of key urban indicators designed to capture the essential elements of urban sector performance and monitoring the performance of the urban sector towards desired policy goals. These two sets of indicators will also assist countries to adopt a common methodology in the preparation of country reports for Habitat II and to focus on the two major themes of the Conference in assessing the human settlements conditions.

Source: UNCHS (Habitat)/World Bank Housing Indicators Programme.

To further facilitate shelter construction and improvement, reformulation and simplification of building standards, specifications, regulations and codes have been undertaken, chiefly with the assistance of UNIDO and UNCHS (Habitat), so as to remove constraints to accelerated housing construction. Such reforms are also meant to reduce the cost of housing. Assistance by United Nations agencies in this area has been concentrated in sub-Saharan Africa. In a number of countries, progress has also been achieved in the modernization of land mapping and registration systems, in land titling and in land information systems, assisted by a number of United Nations system and bilateral agencies, although normally these interventions have not been part of any coordinated effort to implement the Global Strategy for Shelter.

Although other United Nations agencies support the goal of shelter for all, their efforts so far have been modest in scope. Recently several of the larger United Nations agencies, such as the ILO, UNESCO, UNICEF and WHO have shown a greater interest in housing and housing-related issues, and this interest, if expressed in actions coordinated with the Strategy, could have a major impact. The political and economic transformation of Central and Eastern Europe since 1989 has led to greater work on the part of the ECE in the area of housing policy and related activities, especially land management. It is also a hopeful sign that the Commission on Human Rights and other inter-governmental bodies are focusing greater attention on the human right to adequate housing. This could serve as an avenue through which housing could enter the political arena

at the international level, given the renewed importance being given to human rights by the international community.

Action by major groups

Even though the vast majority (around 90 per cent) of housing development, in most countries is carried out by actors other than government, or for that matter the international community, it should be pointed out that bilateral assistance agencies, in particular USAID through its Housing Guaranty Program, have had a significant impact in selected target countries in the past. The absence of enabling environments, however, have often impeded the replication of these initiatives. Nevertheless, a wealth of experience has been acquired in working with local NGOs, community groups and, in some cases, with local authorities and private banks to extend access to credit to low income groups.

Box 2. Supporting community improvement: the Cooperative Housing Foundation

The Cooperative Housing Foundation (CHF) is a private, non-profit organization which has been helping families build better housing and communities for four decades. During its early days, CHF developed more than 55,000 units of affordable housing in cooperatives across the United States. Since beginning its international work more than 25 year ago, the Foundation has provided shelter related technical, financial, and policy assistance in more than 60 third-world countries. Today, it works throughout the world and is supported by grants and contracts from international development agencies and foreign governments as well as contributions from individual foundations, corporations and community organizations.

Source: UNCHS (Habitat).

Many NGOs and low-income community associations have a long experience of small-scale credit schemes to provide loans for incremental or new housing investment by low-income households and communities. A number of recent initiatives bring together the experience of NGOs, (capital) donors and financial institutions in an attempt to increase the scale of operations of such initiatives. In Thailand, the Government has invested in a housing-loan scheme for the urban poor. In Colombia, the financial systems developed by national credit unions are being used on an experimental basis to offer housing loans. In a number of other countries proposals are being explored concerning the feasibility of bringing commercial finance into low-income community investment. In addition, NGOs are increasingly seeking to strengthen their own (institutional) base by identifying possible sources of domestic funds, in some cases through the sale of goods and services.

It is not clear, however, that these individual initiatives constitute a pattern or a conscious attempt to put into practice the enabling principles of the Global Strategy for Shelter. Active promotion of the Global Strategy for Shelter is limited to Habitat International Coalition and allied NGO groupings and networks focusing on human settlements, housing and housing rights. But it must be said that these represent only a small minority of the NGO and voluntary groupings active at the national and international level. The vast majority of NGOs have not in the past been interested in urban development and urban housing, and only recently has this attitude been changing, albeit gradually. The absence of strong NGO support at the international level for housing, especially when compared with support for environmental issues, may be one of the most important obstacles facing the programme objective of shelter for all.

Apart from the limited NGO support just described, support for the Global Strategy has, however, been broadly supported by a number of professional and trade associations, particularly in the real-estate sector (NAR, CREA, FIABCI etc.), which have taken a number of effective initiatives to mobilize both public and private-sector support for shelter development. They have also engaged in technical assistance in a limited number of countries to improve the functioning of housing, financial and land markets.

Box 3. Three cooperative housing societies in Bombay, SPARC and the National Slum Dwellers Federation, India

SPARC (the Society for the Promotion of Area Resource Centres) is a registered non-profit society which began work in 1984. Its objectives have been to create an information base on the poor and their problems to form a basis for dialogue, planning and action. Within this process, SPARC acts to ensure that there is clear space for women. SPARC works closely with two other organizations, Mahila Milan, and the National Slum Dwellers Federation. The Federation has members throughout cities in India and undertakes basic community organization and mobilization work.

The three cooperatives, **Markhandeya Cooperative Housing Society, Adarsh Nagar Cooperative Housing Society** and **Jan Kalyan Cooperative Housing Society**, are all members of the Bombay Slum Dwellers Federation. In each of the communities,in which the cooperatives are located, there are local slum dwellers' federations which have supported their development.

The Markhandeya Housing Cooperative is located in the low-income residential area of Dharavi which has received special funding from the Prime Minister to assist redevelopment. The Cooperative planned to build 94 dwellings but delays have arisen because of the inability of State institutions to deal directly with the poor. The Bombay Municipal Corporation owns the land on which the development is planned but it has not yet approved the lease which will transfer ownership. The house design has been developed by residents to reduce the risk of gentrification (i.e., of house prices being pushed up by the entry of middle- and upper-income households in the area's housing market). A loan has been agreed by the Federal Government's Housing and Urban Development Corporation (HUDCO) which will provide about 65 per cent of the finance. About 20 per cent is being paid directly by residents and a government grant will cover the remaining costs. The loan is unusual since HUDCO does not normally provide direct finance. The problem of the lease transfer from the Bombay Municipal Corporation has resulted in SPARC having to raise guarantee finance in order to allow HUDCO to sanction the loan.

The Adarsh Nagar Cooperative Housing Society is based in Dindoshi, Goregaon, a resettlement site 15-28 kilometres from the centre of Bombay. Many residents have already left the site because of inadequate amenities including a poor transport service and no electricity. Some 52 houses are planned in an area within this settlement. At present, residents pay the government a «fine» for the use of the land and the cooperatives are presently negotiating with the Corporation for this payment to be accepted as rent. The Housing Development Finance Corporation has agreed to give both this Cooperative and the Jan Kalyan Cooperative the loans they require.

In 1988, the Indian Railway intended to clear squatters from land adjacent to the tracks. The Jan Kalyan Cooperative Housing Society was formed by some of these squatters who rejected the alternative housing offered to them by the State. The Society is to build 104 dwellings on land which has been allotted to the Cooperative by the Government (although it has not been provided with the lease). They will receive the lease free of charge in compensation for having been moved from their previous site. In all three cases, the land will be owned by the Cooperative. Individual houses can be sold but the Cooperative has first right to purchase the unit. All building is supervised by the Cooperative. Members of the Cooperative are actively involved - as construction workers on the sites, and women have taken advantage of this opportunity to improve their skills. Each Cooperative has been offered a loan for 22 years and the interest rate is 9 per cent. The Cooperative is responsible for collecting individual contributions and making repayments to the lending agency.

Source: International Institute for Environment and Development (IIED), London.

Final observations

When taken together, the activities of the United Nations system and major groups, even if we include those of bilateral assistance agencies, to achieve the goal of shelter for all have been very limited when compared with current demand and future needs. Although progress in policy advice has been made in a number of countries, these policies have proved difficult to put into practice. For a number of countries, housing continues not to be a policy priority, thus protracting the type of weak sectoral management which has lasted, in many cases, for years. The stakes of moving towards an enabling approach to housing are very high. More effective joint programming and new alliances within the United Nations system and with development banks and the private sector to support the formulation and implementation of national housing policies consistent with the Global Shelter Strategy would not only result in strengthening the positive contribution of the housing sector to macro-economic performance, but would have the type of beneficial consequences for the poor and the urban environment which are called for by Agenda 21.

PROGRAMME AREA 2: IMPROVEMENT OF HUMAN SETTLEMENTS MANAGEMENT

Objectives of the programme

The principal objective of the programme is to ensure sustainable management of urban settlements, in order to enhance their ability to improve the living conditions of people, especially the marginalized and disenfranchised, thereby contributing to the achievement of national economic development goals.

Activities of organizations within the United Nations system

The primary strategic initiative within the United Nations system to achieve improved human settlements capabilities and capacities continues to be the Urban Management Programme (UMP), an inter-agency effort between UNCHS (Habitat), the World Bank and UNDP. Over the years, the UMP has also acted as a channel for external assistance from numerous bilateral agencies. It is a global programme which emphasises research, information dissemination and capacity-building, working through networks of regional expertise focused on five core issues: land management, infrastructure management, municipal finance and administration, urban poverty alleviation and the urban environment. Linked to the Urban Management Programme, as its operational arm in the environmental field, is the Sustainable Cities Programme which provides local authorities and their partners in the public, private and community sectors with improved environmental planning and management capacity through demonstration projects.

Box 4. Building environmental management capacity

The Metropolitan Environmental Improvement Programme (MEIP), a UNDP-funded effort executed by the World Bank, initiated work programmes in five Asian cities in 1990 (Beijing, Bombay, Colombo, Jakarta and Metro-Manila). Its work focuses on the development and implementation of an environmental management strategy for each urban region. This includes activities to strengthen the capacity of pollution control and environmental protection agencies, especially in working with powerful economic planning and sectoral agencies at the local and national levels. It enables organizations to do studies, demonstration projects and workshops on environmental problems and pollution abatement techniques.

Source: United Nations Development Programme.

These activities are being complemented by other programmes, such as WHO's Healthy Cities Programme which is focused on the management of urban health issues and employs a participatory approach involving coalition-building at the municipal level as well as networking and information exchange among cities. Started in participating cities in North America and Europe, the Healthy Cities Programme has been recently extended to developing countries. The Healthy Cities Programme also seeks to work through regional networks of cities, such as CITYNET, the Asia-Pacific network of local authorities started by ESCAP. Another major complementary programme is the Municipal Development Programme for Africa, a programme initiated by the World Bank (assisted by the Government of Italy), which operates in both West and East Africa from programme offices located in Cotonou and Harare, respectively.

Recently, the ILO, together with UNCHS (Habitat), UNDP and the United Nations Volunteers, has entered into an Urban Poverty Partnership in order to combine their respective expertise in a more efficient and cost-effective manner. The aim of the partnership is job creation for the urban poor and enhancement of the urban informal sector within the broader context of upgrading human settlement conditions.

Other regional initiatives, primarily focused on urban environmental management, include the Metropolitan Environmental Improvement Programme (MEIP) in the Asia/Pacific region, the Urban Environmental

Management Programme in Latin America and the Environmental Programme for the Mediterranean (METAP), all except the last mentioned programme are joint UNDP/World Bank efforts, the last programme is also supported by the European Investment Bank and the ECE. Other supportive and related initiatives, although of varying scale, ranging from projects in their pilot phase to global monitoring programmes, are: The new Settlement Infrastructure and Environment Programme (SEIP) of UNCHS (Habitat), consisting of field research and local capacity-building to promote better integration in the planning, delivery and management of environmental infrastructure and services; the City Data Programme of UNCHS (Habitat) and the GEMS/Air programme of UNEP and WHO, which support cities in the systematic development of databases relevant for management of urban development and urban environment; and, the Community Development Programme funded by UNCHS (Habitat) and Danida which aims at effective mobilization of community resources and community participation in urban development. Its focus is on research, training and operational activities. Finally, the Programme for Environmental Management and Protection of the Black Sea is a new initiative supported by multilateral and bilateral donors to reverse environmental degradation of the Sea, partly through priority investment in municipal services and industrial pollution control.

UNICEF's Urban Basic Services (UBS) and Area Based Programmes (ABS) reflect a primary community-based approach at the local level. The ABS approach specifically seeks sustainable social action in an effort to combine strategies such as community participation, empowerment of women, capacity-building and convergent/integrated cross-sectoral interventions to improve the conditions of children and women in poor rural and urban settlements. Almost all UNICEF country programmes include ABS projects in the poorest areas, and have the technical know-how and expertise in programme implementation of Basic Services Packages including health, primary education, early childhood development, environmental, water and sanitation, and sometimes income-generating innovative schemes at the local level. The local level is also emphasized in UNESCO's work in urban rehabilitation (particularly of historic centres) and in its training activities. UNESCO will also, together with UNEP, carry out a human settlements management training programme focused on local initiatives and NGOs and user associations.

The World Bank has been the major lender for municipal development and urban infrastructure. This support has taken a variety of directions, including conventional support for urban infrastructure. However, increasingly the focus of lending has become more programmatic and policy-oriented and has also included lending to municipal development funds or banks. Additionally, an important development in the post-UNCED period is the growing environmental lending programme of the World Bank in the urban sector. This programme is guided by the Bank's new policy to guide urban lending and sector work to focus on urban economic productivity, poverty alleviation, enhanced urban research, and protection of the urban environment. The new policy is based on the premise that degradation of the urban environment has adverse effects on human health and resources, both of which have negative consequences for the urban poor and economic productivity. The Bank is also strengthening its policy for environmental assessment of projects. In 1993, 35 per cent of its urban, transport, water and sanitation projects were assessed for environmental impact.

To varying degrees the major urban management initiatives just described all have the following characteristics:

- Reliance upon a broad-based participatory approach, to build up effective local management procedures and institutions which involve all the major actors (NGOs, community groups, the private sector, the poor, women etc.) in the process of planning and implementing urban development;

- Mobilization and utilization of local resources (financial, economic, technical, human) through direct involvement and participation by all the major municipal interest groups;

- Emphasis on support for, and collaboration with, local government and local institutions, and on the strengthening of their financial, managerial and operational capacities;

- Building up a new management style, based on local government and related local institutions and organizations, which has a process rather than a plan orientation, which is concerned with «connectedness» rather than comprehensiveness, which emphasizes collaboration and consensus rather then bureaucracy and hierarchy, and which integrates decision-making, strategic planning, implementation and operations;

- Focus on issues of key strategic importance, especially those requiring cross-sectoral and inter-organizational coordination and collaboration, such as topics concerning the interaction of urban development

and environment.

- Demand orientation within the broad policy framework of urban management.

These urban management capacity-building activities do, however, raise the question of what linkages should be established between them, to avoid duplication of effort and to achieve maximum effectiveness in resource use. The partner agencies in the UMP have made this a priority in order to create much-needed synergies. The issue has been discussed under the auspices of the Development Assistance Committee (DAC) of the OECD, where the focus has been on reaching a common vision of urban development shared by the multilateral and bilateral institutions engaged in urban development and management as a first step towards more cost-efficient and -effective cooperation.

Actions by major groups

It should be said at the very outset that at the neighbourhood level in virtually every major city and town in the developing world, the urban poor have banded together into self-help groups in order to build simple, if imperfect, shelters, collect rubbish and waste, provide for sanitary facilities and water supply, and earn money in a kaleidoscope of ways through collective effort in order to survive. Most of this rudimentary form of community management is undocumented. Some examples, such as Villa El Salvador in Lima, Peru, are well-known success stories. Often these efforts have been undertaken despite government, many times in direct opposition to local authorities. And this has in turn left a legacy of animosity and distrust which has yet to be overcome. One of the explicit aim of United Nations management activities has been not so much about organizing low-income communities, but about bringing already existing community organizations into local decision-making processes, and into partnership with local public officials and in touch with the private sector.

Box 5. Support for municipal development: the SACDEL Project

The Regional Training System for Local Municipal Development in Latin America (SACDEL) is a capacity-building project executed by the IULA/CELCADEL training centre in Quito, Ecuador. It is supported by the Economic Development Institute of the World Bank, UNCHS (Habitat), the Canadian Federation of Municipalities, the Canadian International Development Agency and the International Union of Local Authorities (IULA). SACDEL's main objective is to bolster the decentralization processes taking place in Latin America through training activities and assistance to public and private national training institutions charged with the development of local government. The major thrust of the project consists of policy seminars, the training of trainers in key areas of municipal administration, technical assistance to national training institutes and support for municipal associations. The pilot phase of the project focused on Colombia, Costa Rica, Ecuador and Peru. Its success augurs well for an expansion to the Latin American region as a whole.

Source: UNCHS (Habitat).

This rich tradition of self-help and community activism is also being built up in the Local Environmental Agenda initiatives which have sprung up in a number of municipalities around the world since UNCED. Promoted by, among others, ICLEI, these local environmental initiatives have an explicitly urban emphasis and municipal focus, along the lines of the old credo of the environment movement: «think globally, act locally» and this thinking is in line with the observation made earlier in this paper that global sustainable development challenges will have to be addressed in the physical, political, economic and social environment of human settlements. Many of the issues around which local environmental initiatives have been focusing their work are of direct relevance to the human settlements development and urban management agenda: safe waste disposal, clean water supply, sanitation, pollution control. The participatory, bottom-up and inclusive approach of these initiatives, should they proliferate in the course of the Agenda 21 implementation, could also help to strengthen the process of democratization at the municipal level and enhance the urban management process, leading to a more equitable distribution of resources and services.

Another significant change since the Earth Summit is the increased use of participatory tools and methods through which external agencies (NGOs, government agencies, international donors) work with low-income groups and their community organizations. Environmental issues have also become much better integrated into the problem diagnosis and action plans developed by these participatory processes. In addition,

it is also being recognized that addressing the needs and priorities of the poorest groups usually has major environmental spin-offs - including improved environmental health and improved access to and better use of the natural environment. The term «primary environmental care» has been given to the process by which local groups organize themselves, with some external support, to apply their skills and knowledge to the care of natural resources and the environment while meeting their livelihood and health needs. This community-level integration of meeting human needs while working within ecological limits was one of the main messages of Agenda 21. Many of the Northern private voluntary agencies now incorporate primary environmental care within their work. Among the large official donors, UNICEF is making increasing use of primary environmental care as a way of integrating environmental concerns within its traditional focus on community-based action and empowerment in addressing the needs of poor women and children.

Another activity of major groups conducive to improvements in human settlements management has been the initiatives of Northern associations of local authorities - national, regional and inter-regional - in assisting municipalities in developing countries upgrade their technical capacity and management approaches through financing, training and exchange programmes. The most significant of these is Towns and Development, a consortium of NGOs and national local-government associations dedicated to promoting greater North-South cooperation through joint local action. With handbooks, pamphlets, newsletters, conferences and meetings, Towns and Development has slowly built a network of communities in which community groups, NGOs and local authorities work alongside each other in twinning, development education and other kinds of «community-based development initiatives», an approach promoted by Towns and Development since 1985.

In 1990, Towns and Development organized an international North-South Conference on Local Initiatives for Sustainable Development, and the success of this meeting led to Towns and Development and its members working with partners in the South. Along with the United Kingdom One World Linking Association (UKOWLA) and with support from the Commonwealth Secretariat, OXFAM and Christian Aid, it cooperated with a group of NGOs, community groups, and local authorities in Africa to hold a Conference in Bulawayo, Zimbabwe, in 1990, entitled «South-North Linking for Development». The outcome of this Conference was the Bulawayo Appeal and the establishment of an Africa Community-based Development Initiatives Secretariat. This was followed by another similar conference in Sevagram, India, which culminated in another appeal for greater justice in India through local action. Besides the Towns and Development network, other related movements have also sprung up. Municipal involvement in developing countries is also promoted by the Standing Conference of Local and Regional Authorities through the North-South Centre of the Council of Europe. All this has led to an explosion of linking and twinning programmes between Northern and Southern municipalities over the past years.

Twinning and linking invariably lead to projects. For example, the community-based development initiatives promoted by Towns and Development aim at sharing and exchanging the communities' special expertise and know-how with one another. Increasingly, individual municipalities and their professional and technical organizations are offering their services to counterparts abroad. They are encouraged to do so in a growing number of countries by their national associations, which themselves play an initiating, supportive and coordinating role, (Canada, Finland, France, the Netherlands, the Scandinavian countries and the United Kingdom, for example).

In 1988, with assistance from the Canadian International Development Agency (CIDA), the Federation of Canadian Municipalities launched its Africa 2000 Programme, which funds city-to-city technical exchanges for up to three years. Each participating Canadian city is expected to provide three city administrators or technicians to work briefly in Africa, and to host two or more professionals from the African community for three weeks. CIDA provides communities with matching funds of up to $25,000, which they can use to cover expenses, to buy equipment for African partners, and to start up projects. Thus far, 37 Canadian communities have participated.

Beginning in 1991, the VNG, the Netherlands municipal association, began a programme to provide Southern partners not only with technical know how but also with briefings on civil society and local democracy. For up to three months experienced Netherlands municipal officers are sent South, and for up to six months, municipal officers from the developing countries have city internships in the Netherlands. Netherlands participants continue to receive salaries from their cities, while the Ministry of Foreign Affairs covers their travel costs. The Ministry also pays municipalities that provide internships a weekly compensation cheque. At the end of 1991, 60 Netherlands municipalities indicated that they wanted to participate in this programme which seems to have been intensified since UNCED.

This type of international cooperation is increasingly supported by regional and international networks of cities. The International Union of Local Authorities (IULA) began promoting inter-municipal cooperation in the 1960s. It also started a training programme, Decentralization for Development, which was intended for municipal officials from developing countries. Similar programmes are being carried out by the United Towns Organization (UTO) and more region specific organizations like the Council of European Municipalities and Regions (CEMR) (which is the European section of IULA), CITYNET and the Union of Ibero American Capitals and Cities (UCCI).

Increasingly such initiatives obtain (financial) support from bilateral and multilateral donor agencies which want to foster forms of decentralized cooperation. Examples of the latter are the European Union, UNDP and the World Bank. Such an involvement on the part of United Nations agencies with a major stake in the improvement of urban management would appear to be timely and should be expanded so that the activities of these major groups can be brought more closely under the umbrella of Agenda 21 implementation, which is only partially the case now.

Final observations

What the activities of major groups illustrate, for one thing, is that human settlements are becoming more and more the focal point of activities to implement Agenda 21 and other objectives. They further illustrate that some of the major groups, such as local authority associations and NGOs, may be moving ahead of United Nations agencies in the implementation of some goals of the human settlements programme of Chapter 7, consciously or unconsciously. As stated earlier, this would seem to call for better cooperation and coordination between major groups and United Nations agencies engaged in activities under this programme area so both share the same «common vision» discussed before as well as a set of defined goals. Such cooperation also offers the possibility of a better use of resources. The issue of resources is in fact important to mention, as a number of UN agencies have been unable to expand their work in the area of human settlements management due to the decline in funding flowing to United Nations agencies engaged in development work, although there are some exceptions to this general rule. All this impacts, unless redressed, on the ability of these agencies to play a leading role in the implementation of Agenda 21.

PROGRAMME AREA 3: PROMOTING SUSTAINABLE LAND-USE PLANNING AND MANAGEMENT

Objectives of the programme

The objective is to provide for the land requirements of human settlements through environmentally sound physical planning and land use so as to facilitate access to land to all households and, where appropriate, the encouragement of communally and collectively-owned and managed land. Particular attention should be paid to the needs of women and indigenous people for economic and cultural reasons. Rapidly expanding urban population growth requires land for the physical expansion of human settlements at equal rates. This has been the experience of the past decades, and will most likely continue in future. Already as a consequence of past urban growth, access to land is being rendered increasingly difficult by the conflicting demands of industry, housing, commerce, agriculture, land-tenure structures and the need for open spaces. Access to land, at affordable costs, is becoming an ever-increasing bottleneck to urban development and to access on the part of the poor to housing. The process of land titling and land mapping has already fallen far behind the pace of urban growth, delaying the start-up of development activities in urban areas. Ineffective land-use planning is leading to chaotic city growth in many countries as well as to absorption of good agricultural land into municipalities for physical development purposes. All of this puts into question environmentally-sustainable human settlements development and growth.

Activities of the organizations of the United Nations system

Activities in this programme area have involved promoting, advancing, monitoring and assessing land policies and strategies, the impacts of land-related activities on human settlements development, analysis of procedures, regulations and instruments for the progressive modernization of land-tenure systems, and the formulation and implementation of land policies - all these aimed at improving the land management system and facilitating access to land by a majority of the population. Governments, particularly in developing countries, are being encouraged and assisted to institute measures which stimulate the allocation of adequate supplies of land to meet the requirements of orderly and equitable human settlements development, particularly to meet the shelter needs of low-income groups and women. This includes measures to encourage the private sector to increase the supply of land, improve administrative and technical capacities for land registration, and legal reforms to promote the efficiency of land markets. Improving access to land by low-income groups has significant impacts on poverty alleviation and on reducing social inequities.

One innovative technique which has been successfully implemented in some developing countries - notably in Bangkok - has been land-sharing. The land-sharing technique is an innovative approach to resolving the usual conflict between landowners and slum dwellers by which agreements are negotiated between the two sides to readjust and share the land. This enables the poor to stay where they are and gain formal land tenure, albeit in return for considerably reduced housing plots. For the landowners, land-sharing is a realistic solution as it makes land available for immediate development, thereby reducing uncertainties and reducing the costs associated with long, drawn-out eviction cases. It also makes provision for essential public uses such as access roads, drainage and other infrastructure. This is a technique of land management which could be relevant in many developing countries cities and therefore a relevant area for aid programmes.

Land management is one of the major components of the already-described global Urban Management Programme. One of the immediate objectives of the land-management component of the Urban Management Programme is to develop and promote better approaches to land issues, with particular attention to land-tenure and land-rights questions, land-use policies and land markets, land redevelopment policies (particularly in urban/rural fringe areas), the management of public lands and the design and implementation of affordable land-information systems (cadastres, titling, mapping etc.). The programme aims particularly at developing comprehensive analyses and guidelines on various aspects of land development and management with a view to extracting and disseminating experience. Based on these lessons, the UMP also works to develop improved

and better focused technical assistance programmes. Current efforts include, among others, advisory assistance to Governments on land tenure (in Ghana, Madagascar, and the Philippines); assistance to Governments on improving land registration (in Bolivia, Colombia, Ghana, Madagascar and the Philippines); assistance to Governments in the establishment of improved land-information systems (in Colombia, Ghana, Indonesia, Pakistan and Singapore); and assistance to Governments in the formulation of land development policies and mechanisms (in Bangladesh, Brazil, Cameroon, Indonesia, Madagascar and Rwanda). The World Bank is also supporting land-information system activities currently in urban areas of Bolivia, Cameroon, Guatemala, India, Indonesia, Mali, Nigeria, Pakistan, the Philippines, Thailand and Tunisia.

Box 6. The land development approval process in Malaysia and Thailand

A close examination of the factors responsible for the dramatic differences in supply responsiveness between Malaysia and Thailand indicates that these countries differ sharply in the degree of legal and regulatory complexity and in the stringency of enforcement. In the mid-to-late 1960s developers in Malaysia were required to satisfy 55 different steps of a regulatory process which might take them five to seven years before they could deliver their products to the market. In contrast, in Bangkok the entire process of seeking approval for subdivision, building and land filling takes approximately 100 days.

A major result of these regulatory requirements is to increase dramatically the risk associated with participating in the residential construction industry. This increased risk, in turn, effectively limits participation in the formal housing supply system in Malaysia, for example, to relatively large and well-capitalized firms than can afford to deal with this process. In Bangkok, by contrast, the residential construction industry is extremely fluid, with many small firms eager to find a market niche that they can quickly fill.

Source: The World Bank.

Bilateral agencies also appear to be increasingly offering assistance to developing countries in several areas of land-use planning and management. The Australian Government, through its development assistance agency (AIDAB), is supporting land-information system (LIS) activities in Papua New Guinea, the Philippines and Thailand. Germany, through its agencies BMZ and GTZ, is supporting activities in Brazil, Haiti and Nepal. Canada is supporting similar activities in China, Indonesia and the Caribbean. The Netherlands is supporting the development of the Colombian fiscal cadastre and the land- information system programme in La Paz, Bolivia. Finnish assistance in this areas has gone to Angola, Bangladesh and Egypt and USAID supports similar activities in Egypt, Pakistan and Central America. In a similar vein, the British Overseas Development Administration (ODA) has sponsored land-delivery system studies in some developing countries. Some of these studies, as in Zambia, attempt to identify the main issues of land policies affecting the land-delivery system and the operational/procedural issues affecting policy implementation and to analyse the practicability and implications of alternative solutions and options for improvements. Over recent years, there has been significant and effective Swedish technical aid in the information and record systems of the Lands and Survey Departments of the Government of Zambia. This includes computerization of the property register, revenue records and the land and deeds register, the improvements to record storage and work on cadastral survey and mapping programmes. Further improvements are proposed, in a continuation of this aid agreement, including the microfilming of all survey diagrams and registered documents and a review of the decentralization requirements of the Lands Department. The Government of the Netherlands has been providing assistance to the Government of Indonesia on management and delivery systems of land for human settlements. This assistance covers practically all aspects of land-use planning, management and administration.

Activities by major groups

Activities by major groups in this programme are restricted to assistance on the part of scientific and technical institutes, most often assisted by governments of the donor countries in which these institutes are located. Professional associations, such as the International Federation of Surveyors, provide information exchange and limited technical assistance to local authorities and institutes engaged in land mapping and surveying in developing countries. NGOs and community groups have a minor role in these technical activities and exchanges, although the experience of land-sharing projects and other similar schemes has demonstrated the need to involve such groups if access to land by the urban poor is to be achieved. Socio-cultural and legal obstacles in many countries continue to make it difficult for women to gain access to land, despite some promising international projects. In developing countries, as everywhere, land is a source of economic and political power, and this continues to be a powerful factor hindering access to land by the urban poor.

Final observations

Given the importance of land and equitable land management and land-use planning for the success of other programme areas of Chapter 7, such as «Shelter for All», as well as for sustainable development objectives in human settlements in general, it is clear that land has not been given the priority it deserves. So far, given the scale of urban land problems, efforts inside and outside the United Nations system have not been nearly at par with the challenges at hand, and this is a state of affairs which deserves the immediate urgent attention of decision-makers and those concerned with the implementation of Agenda 21.

PROGRAMME AREA 4: PROMOTING THE INTEGRATED PROVISION OF ENVIRONMENTAL INFRASTRUCTURE: WATER, SANITATION, DRAINAGE AND SOLID-WASTE MANAGEMENT

Objectives of the programme

The primary objective of the programme, as stated in Agenda 21, is to ensure the provision of adequate environmental infrastructure facilities in all settlements by the year 2025. By setting this target, the international community has again underscored the critical importance of environmental infrastructure and services, water, sanitation, drainage and solid- aste management, in improving health and the quality of life, and in increasing productivity, especially for the urban and rural poor.

Experience from the International Drinking Water Supply and Sanitation Decade, 1981-1990, however, clearly demonstrates that achieving this goal will not be easy, with some 243 million still remaining unserved with water supply and 377 million without sanitation, in urban areas alone; and this number is steadily rising. Not only for water and sanitation, urgent attention is also required to strengthen the capacity of local authorities for solid-waste management. Many developing country cities are choking with waste, with city authorities unable to remove more than a third of the solid waste generated each day.

Given the magnitude of the task, and the fact that an expectation of increased future inflow of international resources into the sector will be, at best, unrealistic, achieving the goal of Agenda 21 will require a strategy that will set the priorities right, mobilize the commitment and resources of all stake-holders, and maximize the real value of past and future investments by focusing on improved efficiency in the provision, maintenance and management of environmental infrastructure and services. This is the crux of the «integrated approach» strategy articulated in Agenda 21.

Activities of organizations within the United Nations system

As the focal point within the United Nations system for human settlements development, the United Nations Centre for Human Settlements (Habitat) is supporting the implementation of Agenda 21 by assisting governments and communities to enhance their capacity to provide and manage affordable environmental infrastructure services and promoting the involvement of the «major groups», especially local governments, NGOs, the private sector and women. The activities of the Centre are implemented through a number of complementary programmes such as the Settlement Infrastructure Environment Programme, the Urban Management Programme, the Sustainable Cities Programme, the Community Development Programme and the City Data Base Programme.

The major substantive thrusts of these programmes are directed at building capacity at local level to respond effectively to the demand of the communities with the involvement of service users, addressing equity concerns in urban service delivery through appropriate standards and services, enhancing management capacities for operations and maintenance, and building partnerships among a broad range of institutional actors.

Box 7. External support of pollution control in São Paulo

A broad set of basic sanitation and pollution control investments have been undertaken by the government of São Paulo, primarily in the São Paulo Metropolitan Area, over the past two decades. These efforts include World Bank-financed initiatives such the São Paulo Water Supply and Pollution Control Project signed in 1971, the Greater São Paulo Sewage Treatment Project of 1978, two sequential industrial pollution control loans signed in 1980 and 1987, and the Water Quality and Pollution Control Project for the Guarapiranga Reservoir in 1992. These investments, in addition to helping finance major pollution-control facilities, also provided long-term support for important technical assistance measures such as institutional strengthening, training and research.

The key pollution control agency in São Paulo has been the State Environmental Sanitation Technology Company (CETESB), which possesses the technical and administrative capacity, as well as the legislative mandate, to oversee pollution-control activities in São Paulo successfully. Although CETESB was formally created in 1975, its foundations were laid with the establishment of the State Basic Sanitation Fund (FESB) in 1968 and a major UNDP/WHO technical cooperation project on pollution control in the early 1970s. Today, with a staff of over 2,100 including some 650 professionals, CETESB is widely recognized as the most experienced and technically capable environmental protection agency in Latin America. During the past decade, CETESB in turn has provided technical assistance to other state and local agencies responsible for the provision of environmental services in São Paulo, as well as in the rest of Brazil and elsewhere.

A recent evaluation of the two Bank-supported industrial pollution control loans concluded that the success of the programme can be attributed to several key factors:

- Existence of an adequate policy, legal and regulatory framework at both the national and state levels;

- Continual strengthening of an experienced institution (CETESB) that possessed both competent and highly motivated professional staff and the facilities and equipment required to properly monitor and control environmental degradation;

- Effective use of a credit line for pollution control equipment and facilities and enforcement sanctions, including negative publicity, against polluters to induce them to use project or other resources to stem emission or untreated effluents;

- Strong political commitment to pollution-control objectives by the state government after 1983, together with increasing public awareness of the health and other risks associated with growing pollution levels;

- Consistent Bank and other external support to CETESB, helping to reinforce its technical, administrative, and financial capabilities and improve its coordination with both private industry and other public sector agencies.

Source: The World Bank.

The World Bank has also shifted its focus from the traditional supply-side approach to infrastructure to an on-going process of delivering services, based on the demands of users and their willingness to pay for services. The strategy is to achieve this through greater involvement of the private sector and increased community participation in design, together with a renewed attention to maintenance of existing investments.[a] Recent investment projects financed by the Bank focus on improving water quality through improved sanitation and water treatement; minimizing urban environmental risks through flood control and drainage; as well as protecting urban land resources through solid-waste management.

An important post-UNCED initiative of UNDP in the field of urban environmental infrastructure is Phase II of the Urban Management Programme. Phase II is built on the lessons learned in the first stage through sharing of individual country experiences with infrstructure planning, financing and management.

The focus of the Global Water and Environmental Sanitation Strategy being formulated by UNICEF is on integrating water, sanitation and hygiene education; the Strategy envisages national plans of action with emphasis on community participation, NGO and private-sector cooperation and women's involvement. Especially targeted are deprived areas and women.[b]

The Global Strategy for Health and Environment prepared by WHO includes water supply and sanitation as an important component to address the health aspects of environmental pollution. The main elements of the strategy are environmental risk assessment and management, information systems, strengthened community action and capacity-building.

Action by major groups

It is now well recognized that because of the inability of governments to meet existing demands, communities and households, especially in low-income urban areas of developing

countries, are already among the main contributors to settlements construction and water supply and sanitation service operation. Women, in particular, play an important role in organizing their communities and mobilizing local resources. However, these activities often do not evolve into sustainable forms of settlements development and resource management since they are carried out in a non-formal manner, reacting to immediate needs, with variable degrees of efficiency, and insufficient coordination with overall goals for settlements development and resources management.

To improve these conditions, United Nations bodies are increasingly applying a community-based approach to the execution of activities on water and sustainable urban development. Practical applications of this approach can be seen in the field projects implemented by UNICEF, the UNDP-World Bank Water and Sanitation Programme, and in the UNCHS (Habitat) Community Participation Programme.

The work of action-oriented national and international NGOs tends to focus on the provision of assistance to communities in strengthening their capacity for participation in the execution of activities on water and sustainable urban development. Being an extremely heterogenous sector, the performance and effectiveness of NGOs in achieving the above objectives is variable. One of the main constraints to optimizing the contribution of NGOs is the lack of an appropriate legal and institutional environment to facilitate their operation and to ensure the coordination of their activities with those being executed by the public sector. An important initiative in this area launched at UNCED by UNDP is the inter-regional Local Initiative Facility for Urban Environment (LIFE) started by UNDP to promote «local-local» dialogue among municipal governments, NGOs and CBOs to improve the urban environment. LIFE supports activities at the local and other levels, including documentation and transfer of successful approaches replicable at local level.

Since infrastructure facilities are considered as public goods, their management has been traditionally associated with the public sector. However, many public-sector agencies have failed to modernize management procedures in response to evolving demands and technological development. In this regard, countries are currently being forced to review the role of government agencies in the management of public goods, and to look the functions that could be better performed by other agents, such as the private sector.

Box 8. Resource recognition, not waste management

A new philosophy of resource management is beginning to transform solid-waste management worldwide, grounded in what can be called «resource recognition». Most waste material can be regarded as unused resources, so environmentally sound waste management entails the reduction of waste in production and distribution processes and the enhancement of re-use and recycling. In Northern cities these principles are being translated into practice through government regulation, stake-holder cooperation and citizens' initiatives. In Southern cities, solid-waste management is still focused on improving the conventional engineering systems (essentially, the collection, transport and disposal of solid wastes). Established environmental movements do not yet have much interest in this subject, while city cleansing departments tend to look to higher technology and privatization for solutions to the environmental problems of uncollected and unsafely dumped wastes.

However, there are many small scale non-conventional approaches to solid-waste management in cities of the South which not only change the conventional collection-transport-disposal organization of waste services but also have **some general social and ecological goals** linking «resource recognition» to social betterment and attitudinal change at the local level. These include:

- Assisting poor people whose livelihoods depend on wastes to do safer, more acceptable work;
- Promoting the separation of wastes to facilitate more thorough or more efficient recycling (including decentralized compost-making);
- Developing community/private sector/municipal partnerships;
- Furthering environmental education;
- Pragmatic accommodation of informal activities in waste recovery and recycling.

Source: Christine Furedy, «Garbage: Exploring Non-Conventional Options in Asian Cities», Environment and Urbanization Vol. 4, No. 2, October 1992.

Box 9. Resource recovery by the informal sector

In Cairo, an informal-sector group of garbage collectors, known as *zabbaleen*, and local contractors, known as *wahis*, was transformed into the private Environmental Protection Company (EPC). EPC has the contract for waste collection in several parts of the city. Although the responsibilities for solid waste management have long been shared by the municipal sanitation service and the *zabbaleen*, the formation of the EPC established in *wahis* and *zabbaleen* as key participants in the local governor's programme to upgrade solid-waste management in Cairo. The *wahis* administer the system, market the company's services, collect household charges, and supervise service deliveries. The *zabbaleen* collect and transport the waste, supplying their labour in exchange rights to recycle the waste. After establishing the EPC, the *wahis* increased their earnings and the *zabbaleen* earned additional income and were able to reduce collection time by 30-50 per cent. The Cairo Governorate is seeking to extend the EPC service to other areas of the city.

Source: Environmental Quality International.

Box 10. Private operation of water services

A joint arrangement between the Government and a private firm is responsible for delivering water services in Côte d'Ivoire. The Government undertakes investment, planning, and construction. A private firm, SODECI (Société des Eaux du Côte d'Ivoire), operates and maintains the system of Abidjan and 240 other cities and towns. SODECI was originally founded by a French firm, but currently 53 per cent of the firm is owned locally and 47 per cent is French-owned. The contractual arrangements specifies user fees and the portion of revenues going to SODECI and to the Government. SODECI has control over personnel policy, but the Government regulates service levels and water quality.

Source: The World Bank.

Box 11. Private sector service delivery

The Agenda d'Execution des Travaux d'Interêt Public (AGETIP) is a private, non-for-profit legal enterprise that contracts with Senegal's Government to execute urban infrastructure works and urban service projects (similar agencies operate in Benin, Burkina Faso, Mali, Mauritania and Niger and other are being formed in Chad, the Gambia, Madagascar and Togo). The arrangement is stipulated in several documents including a manual defining the duties and responsibilities of the two parties. Municipal and central governments sign specific delegated contract management agreements with AGETIP each time they submit a sub-project for execution. AGETIP hires consultants to prepare designs and bidding documents and to supervise works, issues calls for bids, evaluates and adjudicates the bids, and signs the contracts, and evaluates progress, pays the contractors, and represents the owner at the final hand-over of the works. As of January 1993, Senegal's AGETIP had implemented 330 projects for a total amount of $55 million. These projects are located in 78 municipalities and have created 50,600 temporary jobs and 1,500 permanent jobs. Over half of the projects executed have dealt with the environment (drainage, garbage collection, canal clearing, sidewalk improvements and road maintenance). The AGETIP model creates jobs for low-income groups through its labour-intensive methods. The «contracting-out» approach created demand for the services of local contracting and consulting industries, thus stimulating their development and increasing spending in local economies. Its open competitive bidding process, that eliminates wasteful and inefficient operators, and effective management information system, and a sense of accountability that allows for timely decisionmaking - all of these inspire other agencies to improve their own performance.

Source: The World Bank.

The experience of private-sector performance in the management of infrastructure development in developing countries is still too limited to draw general conclusions. However, there is agreement that the private sector has a great potential of playing a more active role in this area. Successful experiences in the private managemnt of water-supply services in countries like Chile and Côte d'Ivoire still have to be evaluated in more detail before being replicated in other contexts. In this regard, agencies like the World Bank, UNDP and UNCHS (Habitat) are taking initial steps towards assessing the potential role of the private sector and developing programmes to strengthen their involvement in infrastructure development. An encouraging example of such effort is the recent joint initiative of UNDP and the Business Council on Sustainable Development and bilateral agencies for public-private partnerships in the area of environmental infrastructure.

Final observations

The key issues and perceptions emerging from the system-wide consultative process leading to UNCED and the efforts of the United Nations agencies since then may be summarized as:

- Sectoral planning, which still remains the most common approach to basic service provision, has serious limitations in ensuring cost-effective and environmentally sound solutions;

- The lack of community involvement in project development has remained a serious constraint to sustainable infrastructure development. There is an urgent need to develop practical and replicable methods for the assessment of the effective demands of communities and local capacities to incorporate such demand in the planning process;

- Past sector investment patterns indicate excessive emphasis on new provision often at the cost of opearation and maintenance, with consequent deterioration of existing facilities leading to increasing supply-demand imbalances;

- The lack of adequate financing mechanisms remains a serious constraint to service expansion. Most public suppliers of infrastructure lack creditworthiness to introduce debt financing. Private investment in infrastructure is also restricted by immature financial markets. Increasing the financial viability of responsible authorities, through cost recovery based on effective demand, could be one way to ensure improved sector investment.

PROGRAMME AREA 5: PROMOTING SUSTAINABLE ENERGY AND TRANSPORT SYSTEMS IN HUMAN SETTLEMENTS

Objectives of the programme

Agenda 21 essentially deals with energy and transport systems in Chapter 9 in the context of their impact on changes in the atmosphere. This programme area is concerned with meeting, in a sustainable way, households' demand for energy and people's needs for local transport. This specific focus of the programme area stems from the recognition of the following:

- The consumption of energy in the household sector and in local transport grows constantly in absolute terms and on a per capita basis, becoming the main source of air pollution in human settlements;

- The air pollution related to urban transport and to energy production and consumption by households has, in particular in developing countries, a strong adverse impact on the health of people, because local concentrations of pollution are high and coincide with poor housing conditions and overcrowding of urban area. For example, in Mexico City, transport accounted by the end of the 1980s for 99 per cent of carbon oxide, 89 per cent of hydrocarbons and 64 per cent of nitrogen oxides. About 80 per cent of these emissions came from automobiles. The dependence of large segments of the population on wood fuel adds to deforestation and desertification problems;

- The reliance of people on automobiles increases the pressure of transport on the demand for urban land;

Box 12. Air pollution in selected urban areas

Bangkok:	A recent study attributed rising levels of pollution to increasing population, industrial activity and motor-vehicle use. Two air pollutants that rank in the high-risk category are total suspended particulates and lead. The most important sources of particulate matter include industry, construction, transport, fuel combustion and trash burning. Particulate 24-hour emission is almost 18 times more than the World Health Organization's 24-hour guideline and could be responsible for up to 50 million restricted activity days and up to 1400 deaths annually. Sources of lead include motor vehicles, industry and smelters. Adverse effects from total exposure to lead could be responsible for many cases of neurological, cardiac, and other public health effects in both children and adults.
Cairo:	The prevailing winds blow north or south; one brings toxic fumes into the city from the lead and zinc smelters in Shubra al Khaymay; when the winds shift, they bring poisonous pollutants from the steel and cement factories in the south of Helwan, and are known for its many dead trees. Helwan's cement plants emit 10,000 tons of dust per month into the air because of inadequate dust collection. The steelworks and coke and chemical plant are also significant sources of dust emissions. Concentrations of airborne dust and dust fall exceed Egyptian standards by a factor of eight; it would require a 99 per cent reduction in cement dust emissions to reach the United States standard of 0.3 kg/ton.
Kuala Lumpur:	The highly urbanized Kelang Valley, which includes Kuala Lumpur, has two or three times the pollution level of major cities in the United States. Kuala Lumpur has a concentration of suspended particulates in the air 29 times the desirable goal recommended by the Malaysian Environmental Quality Standards Committee.
Source:	UNCHS (Habitat)/World Bank/UNDP Urban Management Programme.

- The costs of energy and transport bear increasingly on household budgets, hampering eradication of poverty.

For the above problems to be alleviated, human settlements development strategies, incorporating energy, transport, housing, land-use and environmental concerns need to be adopted by local and national governments and an institutional and regulatory framework suitable for devising and implementation of such strategies established. This should lead to a wider use of new and renewable energy sources and energy-saving technologies in the household sector; to the promotion of transport modes alternative to individual motor-vehicle use; to a better traffic and transport management and to the integration of transport and land-use planning able to reduce the transport demand and the exposure of people to environmental risk. Equally important are the building of public understanding of and support for such a strategy, and the involvement of the private sector in the strategy's implementation.

Although action on the national and local levels is crucial, developing countries will, however, require substantial technical assistance in the implementation of this programme of Chapter 7, especially with regard to institutional capacity-building. They will also require the facilitation of technology transfer and financial assistance for the development and production of energy systems and appliances and, in particular, for the development of energy-saving, but expensive, high-capacity public transport systems.

Activities of the organizations of the United Nations system

Numerous activities of various organizations within the United Nations system contribute directly or indirectly to the implementation of this programme area, especially to the development of new and renewable sources of energy (NRSE). Technical assistance provided to developing countries includes the supply of equipment, training and feasibility studies. For example, UNIDO promotes the manufacture of NRSE equipment, UNESCO is active in training in NRSE technologies, FAO is involved in fuelwood production, while UNCHS (Habitat) promotes a wider use of biomass energy technologies, including their commercialization. WMO focuses on the inter-relationship between environment, energy and urban building. The financial assistance provided by the multilateral bank system to the energy sector amounts to several billion dollars annually.

However, given the decentralized system of programming and decision-making, it is difficult to establish to what extent the United Nations system specifically can meet household energy demand in a sustainable way.[c] It is particularly difficult to assess how far these actions go beyond the improvement of energy supply and also deal with energy saving. So far, the United Nations system has not established common policies and strategies for sustainable energy development on global, regional and national levels and does not possess any mechanism to monitor and assess, in a consistent way, the impact of energy production, transmission, conversion and use on the environment. Also, there is no initiative which addresses, in a comprehensive manner, the issue of energy efficiency in the development of human settlements.

UNIDO is undertaking activities aimed at the minimization of energy consumption in the total life-cycle of building. At the regional level, ECE is organizing workshops on the conservation of energy in human settlements, ECA has prepared guidelines for the development of sustainable energy and transport systems in human settlements, and ESCWA has produced a manual for the development of environmentally sustainable human settlements in Southern Arabia which addresses energy issues.

Transport in urban areas has long been a marginal issue in the United Nations system's activity in the transport sector. It was also given a low priority in the housing-centred activities in the field of human settlements. Moreover, concern was mainly with the improvement of transport availability and economic efficiency, while much less attention was given to the impact of transport on the environment. Recent activities more directly related to the development of sustainable transport systems in human settlements include, *inter alia*, UNCHS (Habitat)'s research on public transport improvement strategies for large cities in developing countries; UNCRD research projects on urban development and transport in Asian metropolises, aimed at the improvement of coordination of land-use, transport and environmental policies; numerous UNDP technical assistance projects concerned with urban transport and developed in collaboration with DSMS, ILO and ESCAP; and the WHO Healthy Cities Project, which includes activities on the alleviation of the transport impact on health. Issues related to urban transport, its environmental impact and interaction with land-use, will be addressed by the activities carried out within the framework of the Second United Nations Transport and Communication Decade for Africa, 1991-2000 (UNTACDA II).

The most significant impact on urban transport in developing countries is made by the World Bank. The current level of lending for urban transport is roughly at the level US$ 100 million per annum, with greater than earlier emphasis on projects promising not only a high economic return but also favourable city-wide impacts on productivity, poverty alleviation and the environment. Institution building and policy development - particularly to promote efficiency in public transport - continue to be central to most of the Bank's assistance to urban transport. This assistance is accompanied by a considerable amount of research on urban transport and the publication of policy and working papers which influence significantly the policies adopted by developing countries, an influence which may be facilitated by the Bank's role in assisting developing countries in the implementation of structural adjustment policies.

Activities by major groups

The development of urban transport in a way compatible with the principles of sustainable development requires a participatory approach.

Urban transport is essentially a local matter and local governments (metropolitan and/or municipal) have to play the key role in its development. Only the authorities at the local level can reach out to the parallel transport systems of the city to encourage compatible action in various transport modes, to manage traffic, to set appropriate prices for transport services and to control the use of land. However, in most developing countries decisions on urban transport are made on the wrong level, and the primary actor is, in fact, national government. While good knowledge of local conditions and the recognition of the needs of local populations should be a basis for the coordination of action by different agencies involved in urban transport, vertical and sectoral isolation prevails, resulting in a lack of consistent development policies and in a low level of integration of transport networks.

In developing countries, with the exception of China, India and a few other countries, urban public transport is dominated by the private sector (this does not pertain to rail-based public transport which is practically everywhere in the hands of the public sector, but globally has little share in public transport services). Also in developed countries there is a tendency to increase the involvement of the private sector in the provision of public transport. However, private operators will not invest in environmentally sound technologies unless they are provided with adequate incentives. Their interest is to maximize profit and not necessarily the passenger turnover. Moreover, in most cities of developing countries, the private sector consists largely of small-scale operators with very limited ability to invest in technological improvements for environmental reasons. In order to make the private sector contributive to the development of environmentally sound urban transport, new forms of public private partnership are required, the need for which is not yet recognized in developing countries.

Non-governmental organizations, in particular community-based groups in developed countries, are increasing their pressure on the management of urban transport in an environmentally sustainable way. This is not yet the case in developing countries where the public concern is rather with the improvement of mobility, availability of transport and safety. This has been a particular objective of womens groups. Weakness of local authorities and the segmented institutional responsibilities for urban transport additionally hamper the dialogue between NGOs and transport authorities. However, NGOs can contribute a lot to the improvement and enhancement of non-motorized transport, and to community-organized transport services, but few governments encourage such initiatives.

As for energy, the activities of NGOs and community groups have been focused on household energy use and, in particular, on the more efficient use of biomass, the principal fuel of the poor. This has often involved the introduction of new technical solutions, developed by research and scientific institutes and disseminated and promoted by NGOs, and community and womens groups. Bilateral agencies and international NGOs have assisted this process.

Final observations

Given limited nature of the activities of the United Nations and others in the area of urban transport in particular and the importance of energy-efficient and less-polluting mass transport modes to sustainable development, a more extensive inter-agency initiative in this crucial area seems to be called for which reaches

out to the private business sector, as the principal provider and developer of energy-efficient transport, and collaborates with research institutes on urban transport and local authorities. Such an initiative should, *inter alia*:

- Promote the development of institutions and mechanisms for integrated urban management so as to overcome the constraints created by sectoral approaches, in particular, by separate management of road development, public transport, land-use etc.;

- Encourage the decentralization to the local level of decisions on urban transport, while insisting on the adoption of national urban transport strategies;

- Channel financial support to urban transport development through local authorities with apex responsibility over urban development rather than through sectoral agencies;

- Promote the development of and provide support to national transport research centres in the public and private domains and assist their networking on a regional basis;

- Concentrate on research on monitoring the evolution of urban transport conditions and transport/land use/environment interaction;

- Increase cooperation with the international professional organizations and support the establishment of professional associations in developing countries;

- Involve the participation of users, especially the poor, in transport choice and planning.

PROGRAMME AREA 6: PROMOTING HUMAN SETTLEMENTS PLANNING AND MANAGEMENT IN DISASTER-PRONE AREAS

Objective of the programme area

The objective of the programme area is to avert excessive losses as the consequence of natural and other disasters and to diminish, whenever this is possible, the risk of disaster occurrence, by:

- Reducing the vulnerability of human settlements to damage;

- Preventing the undertaking of activities which increase the risk of disaster as well as controlling environmental changes which lead to such risk;

- Appropriate preparedness to act in case of emergency and in response to disaster;

- Increasing the ability to undertake immediately the rehabilitation and reconstruction which not only restores but also improves the quality and sustainablity of human settlements.

The implementation of the programme is based on: developing the culture of safety and understanding of the methods for natural-hazard management among the general public and all agents involved in development process; enhancing physical development planning and management; encouraging preparedness activities and building the institutional and community capacity to act in a state of emergency; and providing for a continuum from reconstruction to development.

Activities of organizations within the United Nations system

Most disaster-related activities of the organizations within the United Nations system have been isolated relief and reconstruction activities, undertaken in response to sudden natural disasters, rather than activities constituting coordinated programmes that incorporated a concern about disasters into overall development strategies. Nevertheless, the organizations within the United Nations system have contributed also substantially to capacity-building in the management of natural hazards, by developing risk and vulnerability assessment methods (UNICEF, UNDRO and WMO), incorporating the concept of hazard reduction into human settlements planning and management (UNCHS (Habitat)), developing and disseminating know-how on disaster-resistant construction and building materials (UNIDO), and directing attention to and instructing on preparedness actions (UNDRO).

General Assembly resolution 44/236 which proclaimed the 1990s as the International Decade for Natural Disaster Reduction emphasised, in particular, the need for increasing the capacity to manage natural-disaster-related hazards, by intensifying scientific and engineering research, devising appropriate guidelines and development strategies, establishing early warning systems and providing relevant technical assistance to developing countries which should also include technology transfer, education and training.

New in the United Nations policy on disaster preparedness and mitigation is the recognition that gradual but severe ecological degradation either represents another form of disaster or substantially increases the risk of disaster, and that action towards the prevention and mitigation of disasters are inseparable from implementation of sustainable development policies. Industrial and technological accidents, wars and civil strife as well as the recurrence of epidemics are also changing the way in which disasters are perceived.

In this regard, the creation of the United Nations Department of Humanitarian Affairs (DHA) and the work of the Inter-Agency Standing Committee on Post-war and Disaster Reconstruction and Rehabilitation can be seen as an attempt to respond to emerging demands in the execution of disaster-related programmes and to

strengthen the links between overall development planning and disaster-related interventions. Equally, the establishment of the United Nations Inter-agency Standing Committee Task Force on the Relief to Development Continuum represents an opportunity to review the policy on and operational approaches to disaster-related activities. This opportunity has been taken by UNCHS (Habitat) and UNEP, which established a joint Task Force on the Continuum from Relief to Development with the aim to integrate human settlements and environmental concerns in the process of post-disaster reconstruction. It is also worth noting here that UNHCR has taken steps to ensure that human disasters do not turn into environmental ones as well by introducing guidelines for the environment-sensitive management of refugee settlements.

Box 13. Renovación Habitacional Popular: the post-earthquake reconstruction programme

The earthquakes of September 1985 hit Mexico City's densely populated central area hardest. An estimated 100,000 dwellings were affected including high-rise public sector housing, four- to five-storey flats and condominiums and, especially, the run-down tenements, known in Mexico as *vecindades*. The Renovación Habitacional Popular programme was geared to the rebuilding of dwellings within this last category. In all, 44,000 units were built or rehabilitated, most of them on the original plots and to the benefit of the original tenants, in the space of just over two years. This amount represents an additional 15 per cent over and above the number of houses financed by the public sector in Mexico during those same years. The programme was handled by a specially created body - Renovación Habitacional Popular - and was financed by FONHAPO and the World Bank. Some of the innovative features of the programme are listed below:

(a) The first and most important element is that this programme was drawn up as a direct response to concrete demands from potential beneficiaries, those who had lost their homes and were living on basic operational principles which developed. During the first stage, the demands were presented and obtained by means of intense political mobilization of those affected. For the second stage, after the expropriation, the people's participation was channelled into the «Democratic Agreement for Reconstruction», a negotiated document which laid out the programme's operational rules. The way in which the beneficiaries actively participated in the setting-up of this programme contrasts strongly with most public housing institutions in Mexico and elsewhere, which were generally created with a complete disregard for the concrete demands of prospective beneficiaries.

(b) The most relevant characteristics of the programme derived from a political measure: the expropriation of 4332 properties, containing 3311 *vecindades* which were occupied by 44,788 families.

(c) The legal terms of the expropriation determined who were to be the programme's beneficiaries: those families who had been occupying the expropriated lots at that time, or immediately prior to the earthquake. This eliminated (or substantially reduced) the traditional corrupt mechanisms for allocating housing credits. It became practically impossible for anybody to gain political (or economic) capital out of the programme using clientelistic tactics.

(d) The expropriation solved one of the main problems facing low-cost housing programmes, namely access to land, and met the earthquake victims' main demand, the right to remain in their respective neighbourhoods. This included residents and also people whose shops and workshops had been affected.

e) Because of the legal obligation, derived from the expropriation, to rehouse all the affected population *in situ*, the programme's financial terms had to be accessible to all. This meant a fairly high level of subsidy, although not necessarily higher than those applied in conventional public housing programmes.

Source: Centro de la Vivienda y Estudios Urbanos (CENVI), Mexico City.

At the country level, the United Nations Disaster Management Teams have proved to be an effective coordinating mechanism for the United Nations system country support operations. However, these teams should be enabled to make better use of the substantive and operational capacities of the various agencies of the United Nations system and to ensure better integration of relief programmes into longer term settlements and national development activities.

Actions by major groups

Well-organized community actions, appropriately guided by local authorities, are crucial for an early

abatement of the catastrophic chain of events usually triggered by a sudden disaster and can reduce losses substantially. The involvement of NGOs, in particular of professional organizations, is important for developing, in cooperation with CBOs, the culture of safety among local communities and in the private sector. International and national NGOs, such as the International Committee of the Red Cross, OXFAM, CARE and Caritas, have proved their efficiency in carrying out disaster relief activities, even in complex physical and political environments. Therefore, the organizations within the United Nations system should give attention, as UNDP already does, to development of the capacity of local authorities, NGOs and CBOs to act in a state of emergency and to manage natural hazards. They should also strengthen their collaboration with international NGOs specialized in disaster-relief activities so as to benefit from their experience, *inter alia*, in devising disaster- preparedness strategies.

Final observations

It is clear that the United Nations system, as can be seen through the establishment of the Inter-Agency Standing Committee, is determined to become more active in this programme area, although the emphasis of the Committee seems to be more on post-war reconstruction tied to the peacekeeping duties of the United Nations. Disaster preparedness and planning seem to become a priority only after the disaster has already occurred. It is not yet linked to other sustainable development programmes. It is not yet a routine function and is in danger of becoming a neglected area of Chapter 7 of Agenda 21. To reverse this unfortunate trend, the following recommendations are offered:

- Linking disaster preparedness, prevention, mitigation, emergency response, rehabilitation and reconstruction to sustainable development programmes;

- Technical assistance programmes to build the capacity of national and local authorities as well as of the local communities and their organizations in the management of natural hazard;

- Supporting the establishment of national early warning systems and facilitating the access of local communities and the private sector to information on natural and other hazards;

- Improving the cooperation of the organizations within the United Nations system, multilateral organizations and international NGOs;

- Building an understanding that development planning and control, incorporating measures to prevent the deterioration of natural environment, are essential for averting excessive losses in the wake of disasters and for reducing the risk of disasters in general.

PROGRAMME AREA 7: PROMOTING SUSTAINABLE CONSTRUCTION INDUSTRY ACTIVITIES

Objectives of the programme

Sustainable construction activities are vital to achieving national socio-economic development goals, including human settlement development goals. But the sustainability of construction activities are affected in two ways. First, the construction sector is a major consumer of the world's non-renewable resources including energy resources. Secondly, construction activities contribute to the degradation of the environment in several ways but mainly through physical disruption and atmospheric pollution. Moreover, several construction resources currently in use are harmful to human health.

The primary objective of this programme area is, therefore, to promote policies, strategies and technologies that may enable the construction sector to meet human settlement development goals, while avoiding harmful side-effects on human health and the biosphere.

Activities of the United Nations agencies

In supporting the implementation of Agenda 21, UNCHS (Habitat) is following a two-pronged strategy. First, through a range of dissemination activities such as technical publications, audio-visual aids and the organization of consultations, it is creating awareness among planners and decision-makers on the imperative need of all countries to promote sustainable construction practices. A notable inter-agency initiative in this area was the organization, jointly by UNCHS (Habitat) and UNIDO, of a Global Consultation on the Construction Industry in May 1993, the first global forum since UNCED to address the challenges and opportunities in introducing environmentally sound, energy-efficient construction practices.

Secondly, UNCHS (Habitat) is promoting capacity-building in the construction industry of developing countries to improve resource management and pollution control, with specific emphasis on improving energy-efficiency. A notable effort in this direction is the launching of a Building Materials Development Programme for sub-Saharan Africa, which will promote local production and use of environmentally sound building materials.

UNIDO is promoting sustainable construction activities through its overall programme of technology promotion and technology information. Technology promotion activities are giving priority to capacity-building for effective management of non-renewable mineral and energy resources. The technological information activities of UNIDO include a number of computerized information systems, networks, services and products operating under the umbrella of the Industrial and Technological Information Bank (INTIB), providing both on-line and off-line information and access to databases.

UNIDO has also launched an Environment and Energy Programme, under its Medium-term Plan (1994-1999). The Programme emphasises the prevention of industrial pollution and offers technical assistance for pollution abatement.

Apart from its support to the construction industry through its country programme, UNDP is currently developing a new initiative on urban technologies which plans to develop a databank for construction, environment and other related technologies.

Among the regional commissions of the United Nations, the Economic Commission for Europe is promoting environment-friendly building regulations (the ECE Compendium of Model Provisions for Building Regulations) for safe and healthy living conditions, and to ensure energy conservation. The Economic Commission for Africa is disseminating information on sustainable construction practices through its technical publications.

Action by major groups

Among the NGOs, the international appropriate-technology-development organizations are contributing significantly in the transfer and diffusion of appropriate, energy-efficient technologies in the building-materials industries in developing countries. The Building Advisory Service and Information Network (BASIN), which is supported by four European appropriate technology organizations [d] is filling an important gap by supporting the transfer of small-scale technologies - an area that has received little attention from bilateral technology agencies. It is important that the United Nations agencies work more closely with these NGOs and help leverage their limited resources.

Box 14. Community construction in Sri Lanka

An evaluation of environmental health and community development projects, including water supply and sanitation, in Sri Lanka revealed serious problems in the traditional approaches applied to the provision of water supply and sanitation in low-income urban communities; time-consuming tender procedures; delays in completion of the works; high construction costs and wastage; community initiatives skills and labour were not utilized; and because the community was not involved in the planning, design and construction of the infrastructure, it did not feel responsible for its maintenance. This made it clear to the National Housing Developing Authority (NHDA) that there was a need to involve the community more closely in the construction of water-supply and sanitation facilities. In 1985, NHDA with the support of the UNCHS/DANIDA **Training Programme in Community Participation**, developed a procedure for the active participation of communities: the **Community Construction Contracts.**

Under this system, contracts for the construction of infrastructure are awarded to the community itself instead of a commercial contractor. NHDA awarded approximately 150 community construction contracts between 1986 and 1991. The introduction of community construction contracts has proved a success in many respects: achievement of lower costs; savings accrued to the community by using the labour within the settlement; generation of employment within the community; better design of the systems; development of local skills; timely completion of the works; and the achievement of greater commitment of the community towards operation and maintenance.

The community construction contract system in Sri Lanka has provided strong evidence of the ability and willingness of the population of urban low-income settlements to construct common water supply and sanitation facilities through community participation. The system is now being replicated by other departments of NHDA and urban local authorities of Colombo in Sri Lanka.

Source: Community Resource Centre, Colombo, Sri Lanka.

Positive experiences of encouraging local initiatives by community-based groups especially women's groups are coming in from several countries, for example, Brazil, Jamaica, the Phillipines and Zambia. UNCHS (Habitat) has been supporting these efforts because of the advantage and social opportunities these initiatives can provide to marginalized groups for making their habitat more sustainable. There is, however, a need for a substantially larger action programme to increase the participation of women at all levels of the construction sector.

Final observations

Agenda 21 has been adopted at a time when, throughout the world, developing countries are experiencing an acute shortage of construction resources and declining construction-sector outputs. National planners and policy-makers will therefore have to reconcile the conflicting goals of increasing construction-sector productivity and arresting environmental degradation. Modern resource management techniques and the application of new and environmentally sound technologies can play a crucial role in this respect.

PROGRAMME AREA 8: PROMOTING HUMAN-RESOURCE DEVELOPMENT AND CAPACITY-BUILDING FOR HUMAN SETTLEMENTS

Objectives of the programme

The objective is to improve human resource development and capacity-building in all countries by enhancing the personal and institutional capacity of all those involved in human settlements. The need for such capacity-building is especially critical in two major areas of action focused on human settlements development, but with a significance for progress in Agenda 21 implementation which go far beyond Chapter 7. The first of these action areas is *Basic Urban Infrastructure and Shelter-related Services*. This area of work, which includes access by the urban population to shelter, roads, drainage, street lighting, potable water and sewage disposal, has a direct impact on, *inter alia*, poverty alleviation, reduction of health risks and hazards, human settlements development and use of land resources. An equally direct impact, albeit a harder one to address, is the impact of roads, settlements planning and traffic management on air pollution. The second area is *Metropolitan and Municipal Solid Waste and Sewage*. This area of action has a direct impact on, *inter alia*, poverty alleviation, health risks and hazards, human settlements development, land resources, marine pollution and fresh water resources.

The critical role of urban local authorities

A key institutional actor in both these areas of action is the urban local authority. It is the administrator of land resources and the purveyor of basic urban infrastructure and services, such as roads and drainage, water supply and solid-waste disposal. The urban local authority also plays a pivotal role as the interface between central government (policy- makers), the community at large, organized groups (NGOs/CBOs), business and industry.

Despite this role as a key and pivotal actor, municipal and metropolitan authorities often lack the capability to ensure the efficient management of urban development. They have, for the past decades, been relegated to a largely administrative role and have lacked the human, financial and technical resources to plan and monitor local investment plans and projects, financed and implemented for the most part by central agencies along sectoral lines. This situation is changing rapidly in several parts of the developing world, notably in East and South-East Asia and North Africa, where decentralization and administrative reform and the concomitant liberalization of the economy have devolved important functions and tasks, including the planning and implementation of local development projects, to urban local authorities.

In operational terms, both priority areas of action require the strengthening of the capabilities of metropolitan and municipal authorities to:

- Detect and diagnose inter-sectoral urban problems and issues related to the environmental and sustainable development;

- Develop strategic action plans to address these problems and issues based on broad-based consultative processes;

- Manage and implement these strategic plans in close partnership with the community, business and industry, while using appropriate management systems and tools;

- Monitor the impact of these action plans to provide feedback to policy and decision-making.

Activities of organizations of the United Nations system

Prior to UNCED, in 1989, UNCHS (Habitat) developed a Training and Capacity-building Strategy in support of human settlements management and development. This Strategy was based on a careful review and impact assessment of seven years of training and management development activities in the human settlements sector involving, among others, the Economic Development Institute of the World Bank, the regional economic commissions and external support agencies, such as those of Belgium, France, Germany, the Netherlands, Switzerland and the United States. The Strategy calls for a five-step process to training and capacity-building which focuses on policy dialogue, strategic planning and management through, *inter alia*, training needs and institutional assessments; a better match between supply and demand; implementation of pilot action plans to supply new management techniques; and monitoring and assessment of the impact of activities to provide feedback to policy-makers leading to the establishment of a more enabling policy framework and decision-making environment for sustainable improvements and change in the sector.

To date, the Strategy has been adapted to local and regional institutional environments and adopted by and implemented through a number of programmes. The most important of these are the Urban Management Programme and the Sustainable Cities Programme; the Urban Management/Asia Pacific 2000 Programme (UMP-AP); the Municipal Development Programme for Sub-Saharan Africa; the UNCHS/UNDP/EDI/USAID Training of Trainers in support of municipal management for Arab States; the SACDEL Programme, based at the IULA-CELCADEL Centre for the Development of Local Governments for Latin America in Quito, Ecuador; the UNCHS/Government of Netherlands Programme to support Municipal Training Institutions in East and Southern Africa and South Asia; and the UNCHS (Habitat) Human Resources Development and Training in Settlements Management in European Transition Countries project. This project also is supported by the UNDP, a number of national agencies and NGOs.*

Actions by major groups

The experience over the last decade on the part of United Nations agencies and other assistance bodies in the area of human settlements development clearly shows that the key prerequisites for effective capacity building are national and local training institutions and support centres. Continuous, sustainable, demand-responsive and client-centred capacity building can be done only by national and local centres. The role of external support should be to help to build and strengthen this indigenous capacity to build capacity.

The challenges of this «capacity to build capacity» are to be found both at the institutional and individual levels. The main challenges in the first area are institutional weakness, insufficient client-orientation, sectoral compartmentalization, lack of autonomy and very limited resources of many of the national human settlements training and capacity- building centres, and their limited capacity to attract and retain highly-qualified experts and trainers.

The main challenges of individual capacity-building (human-resource development) include: (a) the sheer magnitude of needs and demands in comparison to a very small number of highly-qualified trainers and experts (owing to these shortages of high-level expertise, the graduates of training of trainers programmes are likely to be promoted within the administration, abandoning their capacity-building responsibility for other executive or management posts); and (b) the academic rather than practical, problem-solving, background of many trainers, experts and advisors, as well as their narrow professional focus, their unfamiliarity with adult learning techniques and their lack of basic management, organizational development and interpersonal skills essential for any capacity-building offered.

The opportunity lies in a variety of new initiatives and new awareness. The importance of human-resource development and capacity-building for human settlements management is increasingly being recognized by municipalities, and local and national bilateral donors. New training and local development-support institutions are being created and organizations with a long history are attempting to adjust their training strategies and programmes to respond to changing capacity-building needs. These include government development and training centres, independent public (parastatal) institutes, university-based centres, training and capacity-building units in local governments, service agencies and organizations, NGO-type institutions and private-sector initiatives. IBAM in Brazil, INICAM and IPADEL in Peru, AIILSG in India, BRAC in Bangladesh, GTI in Kenya, MSP in Zambia, CASSAD in Nigeria, DPU in the United Kingdom and IHS in the Netherlands are just some of

the examples.

Supporting and encouraging all these capacity-building agents to work closely together, to develop local, national and even regional networks, and to continuously upgrade, adjust and centralize their capabilities seems to be, based on experience, the most useful role United Nations agencies and other assistance bodies can play.

Box 15. Training NGOs: the FICONG Programme

In Latin America, economic reform has been accompanied by administering direct State provision of basic services. Subsequently the role of NGOs and other institutions has become increasingly important. However, greater participation for NGOs in projects to help improve the living conditions and incomes of the poor and to improve environmental health has to be matched by a greater effectiveness among NGOs and a growth in the scale of their programmes. With these goals in mind, in September 1991, IIED-America Latina, the Buenos Aires-based affiliate of the International Institute for Environment and Development of London, started a new programme for the institutional strengthening and training of non-governmental organizations (FICONG). The programme aims to enhance the capacity of NGOs and public agencies in responding to the needs of poorer groups and to increase their effectiveness and scale of their activities. FICONG seeks to encourage NGOs and State organizations to develop more effective partnerships with residents' associations in low-income communities. Training courses and workshops are undertaken throughout Latin America in conjunction with affiliated institutions and organizations. FICONG is supported by UNDP and the Government of the Netherlands.

Source: International Institute for Environmental Development (IIED), London.

Successful examples of such broad partnership programmes - involving multiple capacity-building agents from a given region, capacity-building centres from other regions, and several bilateral donors - can be found in any region. Pilot and model examples come from Latin America: the SACDEL Programme (Regional Training System for Local Municipal Development in Latin America) and the FICONG Programme (Institutional Strengthening and Training Programme for NGOs). This is also the direction which UNDP's Capacity 21 Programme seems to be following.

Final observations

There is no doubt that capacity-building in general will be essential to the success of Agenda 21. In fact, it could be argued that the primary role of the United Nations system should be one which concentrates on capacity-building on the one hand, and monitoring and coordination on the other. A focus on capacity-building must, however, be based on a careful analysis of past experience so as not to repeat the same mistakes.

For example, in the past there has been a persistent over-emphasis on the part of donors and national institutions and agencies on technical and skills training. Besides a frequent confusion between education and training, such technical training becomes «academic» in that there are rarely guarantees sought, nor provisions made, to ensure that skills imparted are put to effective use by institutions and organizations responsible for taking action. Examples include training of senior technical staff of ministries and line agencies, local authorities and non-governmental organizations and associations in specialized and sectorally-defined skills such as accounting and budgeting, project management, planning, information systems, among others. This supply-driven approach to human-resources development is not unique and mirrors the largely supply-driven approach to environmental impact assessment which seems to cater more to donor-driven exigencies than to strengthening the capacity of local institutions to enhance awareness and engage in serious broad-based consultations on environmental trade-offs between policy, strategy and project options.

In the past there has also been a lack of serious commitment on behalf of donors to human-resource development and institutional capacity-building in light of recent trends and development in decentralization and administrative reform. Many of the developing countries' cities and towns have little or no capacity to manage recurrent functions and tasks, many of which have been recently devolved to them by central government. Donor agencies, often the same as those which promoted and promulgated decentralization and administrative reform, instead of trying to build capacity at the local level, return to the very para-statal and central-government

agencies in their efforts to integrate environmental development and considerations and more sustainable approaches to project design and implementation. These are the same central-government agencies which have weakened the capacity of local authorities for the past two decades. This pursuit of «rapid results» has frustrated serious attempts in building capacity at the local-authority levels. Such capacity is essential to long-term sustainability of development efforts and initiatives as local authorities have a pivotal role to play as an interface between key actors (central government, NGOs/CBOs, the formal and informal private sectors). And by virtue of their proximity to the communities and stake-holders of local development, they are more prone and apt to be transparent, accountable and responsive.

Finally, obstacles to effective capacity-building continue to be presented by the persistent sectoral approach and bias in policy, which is also inherent in the structure of Agenda 21. Projects and programmes continue to abide by sectoral lines and approaches, defeating the underlying concept of sustainability which is rooted in an integrated approach to development. Thus most initiatives to date fail to integrate social, economic, technical and financial dimensions of human settlements development and continue to foster separate «environmentally sound» approaches to land, infrastructure, construction and housing, among others.

NOTES

a. «Infrastructure Sector Policy Review», (working draft), (World Bank, December 1992); also, *The Urban Edge*, Spring 1993 issue.

b. *Planning for Health and Socio-economic Benefits from Water and Environmental Sanitation Programmes* (New York, UNICEF, 1993).

c. The Inter-governmental Committee on the Development and Utilization and New and Renewable Sources of Energy is the only existing formal coordination body in the field of energy.

d. GATE in Germany, ITDG in the United Kingdom, SKAT in Switzerland and CRATerre in France.

e. These programmes have a relevance not only for Chapter 7, but they are relevant (all or in part) also for the goals of chapters 3, 5, 8, 10, 21, 24, 27, 28 and 30 of Agenda 21.